

# 2008

## Acts of Interest



A summary of legislation  
considered by the  
Second Regular Session of the  
115th Indiana General Assembly  
November 20, 2007 - March 14, 2008

Prepared by:  
Senate Democratic Caucus Services Staff



INDIANA GENERAL ASSEMBLY  
SENATE DEMOCRATIC CAUCUS  
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# State of Indiana

# Senate

Senator Richard D. Young, Jr.  
Minority Floor Leader  
10347 E. Daugherty Lane  
Milltown, IN 47145-7418  
Residence: 812-633-4946  
Email: S47@agi.in.gov

Committees:  
Agriculture & Small Business, RMM  
Rules & Legislative Procedure, RMM  
Joint Rules  
Natural Resources

*The “Acts of Interest” report was compiled to offer an overview of significant legislation considered by the Second Regular Session of the 115<sup>th</sup> Indiana General Assembly. Our Caucus Services Staff prepares this summary following the adjournment of each session to provide information about legislation enacted pertaining to criminal law, economic development, education, health and property tax reform to name a few.*

*On behalf of myself, Senator Vi Simpson, Assistant Leader, and Senator Sam Smith, Jr., Caucus Chairman, I hope you find our report informative.*

*If you have questions or would like a copy of any of the bills considered this year, contact my office at 317-232-9427 or 800-382-9467 ext. 2-9427. Additionally, all bill information is available on-line at [www.IN.gov/legislative](http://www.IN.gov/legislative).*

*Sincerely,*



*Richard D. Young, Jr.  
Senate Minority Leader*

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**Bill Action History**  
**115<sup>th</sup> Indiana General Assembly - Second Regular Session**  
**November 20, 2007 – March 14, 2008**

**Senate**

Introduced Senate bills	368
Introduced Senate joint resolutions	22
Senate bills withdrawn	3
Senate bills sent to Governor	66
Senate joint resolutions passed	1
Senate bills signed into law	66
Senate bills vetoed	0
Percent enacted	18%

**House of Representatives**

Introduced House bills	402
Introduced House joint resolutions	11
House bills withdrawn	9
House bills sent to Governor	81
House joint resolutions passed	0
House bills signed into law	80
House bills vetoed	1
Percent enacted	20%

**Joint resolutions**

Senate Joint Resolution 1, dealing with property taxes, was the only joint resolution to pass both chambers this session. This proposed amendment has not been previously agreed to by a General Assembly and must be approved again in 2009 or 2010.

**Bills vetoed**

HEA 1210 – teacher certification.

**Abbreviations included in this report**

SB	Senate Bill
HB	House Bill
SEA	Senate Enrolled Act
HEA	House Enrolled Act
SJR	Senate Joint Resolution
HJR	House Joint Resolution
CCR	Conference Committee Report
RC	Roll Call

All roll calls referred to are included at the end of this report.

## **AGRICULTURE**

### **SEA 190 RECODIFIED TITLE 15**

**Author(s): FORD, LANDSKE, ARNOLD, BRODEN**

**Sponsor(s): GIAQUINTA, FOLEY**

**Citations Affected: Numerous Provision throughout the Indiana Code**

SEA 190 recodified Title 15 of the Indiana Code governing agriculture and animals. This Act was prepared by the Code Revision Commission, which carries out the duty of annually recodifying a title of Indiana Code. (3<sup>rd</sup> reading, RC# 131; 47-0)

### **SEA 189 VARIOUS ISSUES CONCERNING AGRICULTURE/ANIMALS**

**Author(s): FORD, LANDSKE, ARNOLD**

**Sponsor(s): GIAQUINTA, FOLEY**

**Citations Affected: IC 15-1; IC 15-2.1; IC 15-7-1-23**

SEA 189 was also prepared by the Code Revision Commission as a trailer bill for the Title 15 recodification. The draft represented a compilation of items the Commission had asked be put into a separate companion bill, and contains the following provisions:

- ♦ Removing the restriction that only counties that contain more than \$20,000,000 in property tax value may make an allowance to an interstate fair corporation, because all counties far exceed the amount necessary for the threshold;
- ♦ Requiring that the petition for an allowance for a tax levy to support county 4-H clubs be published in a newspaper in the county; current law requires that the petition be printed in a newspaper that is published and printed in the county;
- ♦ Prohibiting tampering or altering with an identification mark on goats and cervids that have reacted positively to a tuberculin test; current law only applied to cattle;
- ♦ Removing a conflicting provision that prohibits the State Board of Animal Health from adopting rules to exempt certain testing requirements from animals that present little risk of spreading disease;
- ♦ Requiring that certain persons who are not the owner of an animal but has reason to suspect that the animal has a dangerous, contagious, or infectious disease to make a report to the state veterinarian or local health officer within 48 hours;
- ♦ Providing that the stockholders or members of an agricultural cooperative created before February 23, 1925, by majority vote, may elect to be governed by certain agricultural cooperative laws by limiting its stockholders or membership; current law provides for a vote limiting only membership. (Concurrence, RC# 305: 46-0)

**SEA 314 DEPARTMENT OF AGRICULTURE MATTERS**

**Author(s): FORD, NUGENT**

**Sponsor(s): PFLUM, GUTWEIN**

**Citations Affected: IC 4-4; IC 4-12; IC 5-14; IC 5-28; IC 10-19; IC 14-8; IC 14-22; IC 14-24; IC 14-25; IC 14-32; IC 15-15; IC 15-4; IC 15-6; IC 15-7; IC 15-9; IC 21-46; IC 26-3; IC 34-30**

SEA 314 contains numerous provisions pertaining to the Department of Agriculture, and added the contents of SB 123. The Act does the following:

- ♦ Changes the name of the “Department of Agriculture” to the “Indiana State Department of Agriculture”;
- ♦ Adds specific economic development efforts to be administered by the ISDA;
- ♦ Requires the ISDA to assist agricultural businesses in obtaining and preparing permits and serving as a liaison between the business and state and local government;
- ♦ Provides for the confidentiality of financial and application information obtained by the ISDA that relates to economic development or promotion of agriculture and certain voluntary certification programs;
- ♦ Establishes duties for the director of the ISDA concerning agricultural promotion, research, and international agricultural trade and diversified farming;
- ♦ Makes changes to the commercial fertilizer law, including changing the definition of "blending" for fertilizers and adding a definition of "ammonium nitrate", and creates a Class A misdemeanor to knowingly or intentionally violate the commercial fertilizer law;
- ♦ Changes the membership of the fertilizer advisory board;
- ♦ Amends certain definitions and removes provisions concerning pesticide laws;
- ♦ Requires pesticide product applicants to comply with the pesticide product laws;
- ♦ Allows the state chemist to deny a pesticide product registration and amends a pesticide product applicant's and registrant's right to a review of a state chemist's action;
- ♦ Changes the membership of the Pesticide Review Board and allows the members to continue to serve until a successor is appointed and qualified;
- ♦ Provides that the Board's travel reimbursement must meet Purdue University's travel policies;
- ♦ Allows the state chemist to have access to production records of pesticide products;
- ♦ Provides that the state chemist may refer violations to the prosecuting attorney. (Current law requires referral.);
- ♦ Amends the definition of "property" under pesticide use and application laws to include vehicles;
- ♦ Includes diagnostic inspections and determining infestations of wood destroying pests as qualifications to obtain a pesticide business license;

- ♦ Adds technician registrations to the licenses that are invalid if the business does not maintain financial responsibility;
- ♦ Prohibits: (1) verbal misrepresentations concerning the effect of pesticides; (2) using known ineffective amounts of pesticides; (3) refusing to supply the state chemist information during an investigation or inspection; (4) intentionally altering a license; (5) failing to provide proof of financial responsibility; and (6) impeding duties of the state chemist;
- ♦ Allows the state chemist to specify the time period certain pesticide records must be kept;
- ♦ Removes the 60 day time limit to file a claim from a pesticide accident and the seven day notification of licensees after an accident claim is filed;
- ♦ Increases the battery penalty to a Class A misdemeanor if committed against the state chemist or the chemist's agent while performing their duties;
- ♦ Repeals provisions concerning: (1) operation of livestock export inspection facilities; (2) livestock inspection fees; (3) livestock export facilities; (4) the livestock export facility administration fund; (5) the center for value added research; and (6) adoption of federal fruit grades, domestic grading of certain fruits, inspections, and penalties;
- ♦ Makes conforming and technical changes.

The Act also authorizes the State Board of Animal Health to provide voluntary grading and certification relating to meat and meat products (**SB 123**). Currently, the BOAH's meat inspection program targets sanitation; producers must pay a federal inspector from Chicago to grade or certify meat. The Act creates a Class D felony for a person who knowingly or intentionally forges a grade or certification. (CCR #1, RC# 345: 47-0)

#### **SEA 316 INDIANA VETERINARY PRACTICE ACT**

**Author(s): DILLON, LAWSON, R. YOUNG**

**Sponsor(s): GRUBB, FRIEND, CHERRY**

**Citations Affected: IC 5-14-1.5-6.1; IC 15-2.1-2-40; IC 16-20; IC 23-1.5-1-14; IC 25-1; IC 25-26-21-5; IC 25-38.1; IC 34-30-2; IC 35-46-3-5**

SEA 316 makes various amendments and updates to the Indiana Veterinary Practice Act and places it in Title 25 (occupations and professions) rather than Title 15 (agriculture and animals). (*For more information on this Act, please refer to the section on Criminal and Civil Law.*)

## **CONSUMER PROTECTION**

#### **SEA 26 SMOKE DETECTORS IN RENTAL PROPERTIES**

**Author(s): JACKMAN, STEELE, TALLIAN**

**Sponsor(s): L. LAWSON, KNOLLMAN**

**Citations Affected: IC 22-11-18; IC 32-31; IC 36-8-17-8**

SEA 26 makes it a Class B infraction if a landlord fails to properly install a smoke detector at the time a tenant moves in or repair an inoperative hard wired smoke detector within seven days of receiving notice of the need for repair. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**HEA 1016 UNCLAIMED MONEY**

**Author(s): VANDENBURGH, KOCH, RICHARDSON**

**Sponsor(s): TALLIAN, LANDSKE**

**Citations Affected: IC 32-34-3-3**

HEA 1016 requires the State Treasurer to return unclaimed money directly to the claimant. Currently, the Treasurer sends payment by check to a court clerk, who then sends the payment to the individual. This change will remove a step in the return process and reduce the wait time for individuals who have requested unclaimed money held by the state. (3<sup>rd</sup> Rdg., RC #234, 46-0)

**HEA 1061 APPLICATION OF LANDLORD/TENANT STATUTE**

**Author(s): DAY, FOLEY**

**Sponsor(s): BRAY, LANANE**

**Citations Affected: IC 323-31**

HEA 1061 expands existing landlord-tenant laws to cover special arrangements known as "contract sales" or rent-to-own agreements. Committee testimony indicated that families can be at risk in rent-to-own agreements when the property owner fails to maintain the safety and health standards in the home during the rental period. This Act would provide protections under landlord-tenant laws from landlord neglect in rental homes regardless of an intent to purchase the home. (3<sup>rd</sup> Rdg., RC #255, 47-0)

**HEA 1026 FUNERAL CEMETERIES**

**Author(s): ULMER, FRY, NOE, RIPLEY**

**Sponsor(s): STEELE, PAUL**

**Citations Affected: IC 9-13-2-110; IC 9-19-1-5.5; IC 9-21-0.5; IC 9-25-4-7; IC 9-26-2; IC 9-30-3**

HEA 1026 will punish cemetery and funeral home owners for the misuse of burial and funeral trusts. The new law will protect funds prepaid for a funeral or burial. The Act specifies maximum sentencing and fines for those found guilty of such offenses. (3<sup>rd</sup> Rdg., RC #200, 46-0)

**HEA 1197 DATA BREACH**

**Author(s): PIERCE, DERMODY**



**Sponsor(s): HERSHMAN, BRODEN**  
**Citations Affected: IC 4-6-9-7.5; IC 24-4.9**

HEA 1197 authorizes the Attorney General to initiate a program to educate consumers of risks posed by a security breach. For purposes of the law requiring the disclosure of a breach of the security of a system, the Act provides that the unauthorized acquisition of a portable electronic device on which personal information is stored does not constitute a breach of the security of a system if the contents of the portable electronic device are encrypted and if the encryption key is not compromised. (3<sup>rd</sup> Rdg., RC #237, 46-0)

**HEA 1359 MORTGAGE LENDING**

**Author(s): BARDON, BURTON**  
**Sponsor(s): PAUL, SIMPSON**  
**Citations Affected: IC 4-22-2-37.1; IC 24-4.5; IC 24-7; IC 28-1; IC 28-2; IC 28-5-1; IC 28-6.2; IC 28-7; IC 28-8; IC 28-10-1-1; IC 28-11; IC 28-13; IC 28-8-4-22; IC 28-8-4-23; IC 28-8-4-26**

HEA 1359 is aimed at reducing home foreclosures in Indiana. Under the Act, the state Attorney General's Homeowner Protection Unit is required to establish a toll free number to receive inquiries about suspected fraudulent residential real estate transactions. (*For more information on this Act, please refer to the section on Criminal and Civil Law.*)

**SEA 490 -'07 VETO SUSTAINED (bill does not become law)**  
**REGISTRATION FOR INTERIOR DESIGNERS**  
**Author(s): KRUSE, MISHLER, TALLIAN**  
**Sponsor(s): MICON, HINKLE, RESKE**  
**Citations Affected: IC 23-1.5; IC 25-1; IC 24-4; IC 25-4.5**

**SEA 490** would have changed the Board of Registration for Architects and Landscape Architects to the Board of Registration for Architects, Landscape Architects and Interior Designers and added an interior designer to the board. It also would have updated language concerning the board's operation and specified the board's powers, as well as required the board to register interior designers. It would have established the requirements for registration and fees and required the board to deposit the fees into the Registered Architects, Registered Land Surveyors and Registered Interior Designers Investigative Fund. It provided that a person who recklessly, knowingly, or intentionally uses the title "registered interior designer" or any title designation sign, card, or device indicating the person is a registered interior designer if the person does not hold a certificate of registration or is ineligible for continued registration because there is a civil judgment entered against the person for certain breaches of the standard of care in the practice of interior design commits Class B misdemeanor. (RC# 311; 15-31)

In his '07 veto message Governor Daniels wrote, "Government has a legitimate role to play in the regulation of certain business occupations and professions. To protect public

health and safety, for example, it makes sense for the state to require individuals seeking to practice certain occupations to be certified or licensed, in order to ensure that they meet minimum qualifications or skill levels. However, government must be careful to exercise such powers in a restrained and limited way, in order to avoid limiting competition in occupations where no significant public health or safety concerns are involved. Licensing, certification and registration standards necessarily restrict entry to and participation in the occupation or profession being regulated, so the burden of proof must fall on those who seek to create or extend such barriers to entry.”

## **CRIMINAL AND CIVIL LAW**

### **Criminal Law**

#### **SEA 27 COOLING OFF PERIOD FOR DOMESTIC VIOLENCE**

**Author(s): ARNOLD, STEELE, BRODEN, ERRINGTON**

**Sponsor(s): L. LAWSON, VANDENBURGH**

**Citations(s): IC 35-33**

SEA 27 requires a facility having custody of a person arrested for a crime of domestic violence to keep the person in custody for at least eight hours from the time of the arrest, and prohibits a person arrested for a crime of domestic violence from being released on bail during the eight hour period. Concurrence, RC#291, 41-0)

#### **SEA 10 INMATE FRAUD**

**Author(s): STEELE**

**Sponsor(s): L. LAWSON, FOLEY**

**Citations Affected: IC 11-8-5-2; IC 11-11-2; IC 35-43-5-20**

SEA 10 permits the Department of Correction to freeze all or a portion of an inmate's account while investigating whether the inmate has committed inmate fraud or while a criminal case involving inmate fraud is pending against the inmate. The Act requires the Department to return money in the inmate's account to the rightful owner if the inmate is convicted, and specifies that the money will be deposited in the violent crime victims compensation fund if the rightful owner cannot be located. The Act further provides that inmate fraud, a Class C felony, is committed by an inmate who, with the intent of obtaining money or other property from a person who is not an inmate, knowingly or intentionally: (1) makes a misrepresentation to a person who is not an inmate and obtains or attempts to obtain money or other property from the person who is not an inmate; or (2) obtains or attempts to obtain money or other property from the person who is not an inmate through a misrepresentation made by another person. The Act authorizes the Department of Correction to disclose certain information to a person who is or may be the victim of inmate fraud. The introduced version of this Act was prepared by the Corrections, Criminal and Civil Matters Committee. (Concurrence, RC # 316, 44-0)

**SEA 227 DOMESTIC VIOLENCE ISSUES & INVASION OF PRIVACY**

**Author(s): BECKER, DELPH**

**Sponsor(s): L. LAWSON, VANDENBURGH**

**Citations Affected: IC 4-23-25; IC 5-2-6-23; IC 33-37-7-2**

SEA 227 renames the "sexual assault standards and certification board" as the "sexual assault victims advocate standards and certification board" (board). Control and related accounts of the board have been moved to the Criminal Justice Institute from the Department of Workforce Development. The Act defines "victim advocate" and limits their role. Specifically, victim advocates and victim services providers may not give testimony, produce records, or disclose certain confidential communications and confidential information without the victim's consent. Further, a victim may not be forced to consent to the disclosure of confidential information in order to receive services. A victim must be notified if confidential information is disclosed.

The Act makes certain information obtained as part of an application for certain gaming licenses confidential. The Act allows a court: (1) to prohibit a defendant who has not been released from lawful detention from contacting a particular individual; and (2) to require, as a part of a person's executed sentence, that the person refrain from contact with a particular individual. Additionally, the Act makes it a Class A misdemeanor to contact a particular individual in violation of: (1) a prohibition imposed on a defendant while in lawful detention; or (2) a requirement imposed as a condition of an executed sentence. The Act repeals provisions being superseded by this bill. (Conference Committee Report adopted, RC#334, 45-0)

**SEA 258 DISCHARGE OF LONG TERM INMATES –  
ELECTRONIC COPIES – SENTENCING INFO;  
INTERNET ACCESS**

**Author(s): WATERMAN, SIMPSON**

**Sponsor(s): V. SMITH, BORDERS**

**Citations Affected: IC 11-13-9**

SEA 258 requires the Department of Correction (Department) to provide for an automatic, one time review of the sentence of a long time inmate who has not been convicted of a violent offense to determine whether the inmate has been rehabilitated and has suitable plans that would warrant discharge from custody. Requires an inmate released by the Department to be placed on parole. Allows a court to: (1) send copies of certain reports relating to the conviction of an individual to the Department; and (2) certify copies of judgments of conviction and sentences to receiving authorities; through any electronic means approved by the Department. Requires the Department to allow an inmate to have Internet access to web sites that contain employment information in the 90 day period before an inmate is discharged, released on parole, or assigned to a community transition program, and requires the Department to train an employee to

provide employment counseling and to supervise the inmate's use of the Internet. The Act additionally:

- Requires sex or violent offenders when registering to include electronic mail address, instant messaging username, electronic chat room username, social networking web site username and that any changes in such information must be reported to the registry.
- Requires a sex or violent offender that registers having an electronic mail address, instant messaging username, electronic chat room username, social networking web site username, to sign a consent form authorizing the: search of the offender's personal computer or device with Internet capability, at any time; and installation at offender's expense, of hardware or software to monitor the sex or violent offender's Internet usage. Specifically, sex offenders are prohibited from accessing web sites, chat rooms, or instant messaging programs frequented by children; and from deleting, erasing, or tampering with information on the offender's computer to conceal prohibited use.
- Modifies the registration period for sex or violent offenders such that "the registration period is tolled during any period that the sex or violent offender is incarcerated." The registration period does not restart if the offender is convicted of a subsequent offense; however, if the subsequent offense is a sex or violent offense, a new registration period may be imposed.
- Expands seizable items, in narcotics related matters to include: computer equipment and cellular telephones that were used for or intended for use in preparing, photographing, recording, videotaping, digitizing, printing, copying, or disseminating narcotics.
- Provides that in sentencing for a criminal offense, a judge may consider whether the victim was a person with disabilities and the defendant knew or should have known that the victim was a person with a disability.
- Adds a section to Indiana Code section 35-42-4, making it either an A misdemeanor or a D felony for a registered sex offender to access social networking website, instant messaging or chat room program, that the defendant knows allows a person who is less than eighteen years of age.
- Adds a section to 35-42-4 making it a Class B misdemeanor for a person 21 years of age or older to talk with a child, he believes to be less than fourteen years of age concerning sexual activity with the intent to gratify sexual desires.  
(Conference Committee adopted, RC# 366, 46-0)

#### **SEA 139 VIOLATES PROBATION OR HOME DETENTION**

**Author(s): BRAY, FOLEY**

**Sponsor(s): L. LAWSON**

**Citations Affected: IC 35-38-2-3**

SEA 139 specifies that a court may impose one or more sanctions on a probationer who violates the conditions of probation or home detention during the probationary period. The Act provides that an offender who is placed on home detention and who resides in a

county adjacent to the county in which the sentencing court is located may be supervised by a community corrections program or probation department located in the county in which the sentencing court is located. The Act specifies that a probation department or community corrections program that supervises an offender on home detention is responsible for the expenses of the supervision. (Concurrence, RC # 299, 43-0)

**SEA 343 THEFT OF COPPER AND VALUABLE METALS**

**Author(s): TALLIAN, STEELE**

**Sponsor(s): DAY, L. LAWSON**

**Citations Affected: IC 5-2-6**

SEA 343 requires the sentencing policy study committee to study issues related to the theft of copper, including the effectiveness of recent statutory changes and the need to educate valuable metal dealers about new requirements for purchasing copper and other valuable metals. (Concurrence, RC #298, 43-0)

**SEA 117 PAROLE ISSUES**

**Author(s): CHARBONNEAU, ARNOLD**

**Sponsor(s): L. LAWSON, FOLEY**

**Citations Affected: IC 11-13-3**

SEA 117 provides that a parolee may be responsible for the reasonable expenses of participating in a program required as a condition of parole, and removes a requirement that parole discharge papers be forwarded to the sentencing court. (The introduced version of this bill was prepared by the Sentencing Policy Study Committee.) (3<sup>rd</sup> Rdg., RC # 60, 47-0).

**SEA 281 CONVICTIONS AND ELECTIONS**

**Author(s): MRVAN, BRAY**

**Sponsor(s): L. LAWSON, FOLEY**

**Citations Affected: IC 3-1-8-5; IC 5-8-1; IC 36-4-5-9**

SEA 281 reconciles certain inconsistent provisions in current law regarding: (1) the definition of "felony"; and (2) when a certified copy of the sentencing order issued in connection with the removal of a public officer must be filed. The Act specifically defines a felony as a crime that may warrant more than one year incarcerated, and established that alternative misdemeanor sentencing will not affect the disqualification from elected office due to a felony conviction under section C of the statute. (3<sup>rd</sup> Rdg., RC # 153, 48-0)

**SEA 305 CONTROLLED SUBSTANCES**

**Author(s): STEELE, DELPH**

**Sponsor(s): TYLER, KOCH**  
**Citations Affected: IC 35-48-2**

SEA 305 adds certain controlled substances to the list of Schedule I, Schedule II, Schedule III, Schedule IV, and Schedule V controlled substances. The Act corrects the spelling of certain other controlled substances. (3<sup>rd</sup> Rdg., RC#157, 48-0)

**SEA 207 PUBLIC RECORDS AND CRIMINAL OFFENDERS**

**Author(s): WALKER, WYSS, KRUSE**  
**Sponsor(s): L. LAWSON**  
**Citations Affected: IC 5-14.3**

SEA 207 provides that a public agency may deny public records requests made by a person incarcerated in a correctional facility if the requested public records: (1) contain personal information concerning a correctional officer, crime victim, or family member of a correctional officer or crime victim; or (2) relate to the security of a jail or correctional facility. (The introduced version of this bill was prepared by the Sentencing Policy Study Committee.) (3<sup>rd</sup> Rdg., RC # 75, 48-0 )

**HEA 1052 MOTORIST DUTIES AT ACCIDENT SCENES  
AND OPERATING WHILE INTOXICATED OFFENSES**

**Author(s): NEESE, HOY**  
**Sponsor(s): RIEGSECKER, LANANE**  
**Citations Affected: IC 9-26-1**

HEA 1052 Motorist duties at accident scenes and operating while intoxicated offenses. (Please see the Transportation Section for information on this Act)

**HEA 1074 DISARMING A LAW ENFORCEMENT OFFICER**

**Author(s): SOLIDAY, L. LAWSON**  
**Sponsor(s): CHARBONNEAU, ARNOLD**  
**Citations Affected: IC 35-44-3-3.5; IC 35-50-2-2**

HEA 1074 makes it a Class C felony if a person knows that another person is a law enforcement officer or other officer required to carry a firearm and the person knowingly or intentionally takes or attempts to take a firearm or weapon from the officer or from the immediate proximity of the officer without the consent of the officer and while the officer is engaged in the performance of his or her official duties. This offense becomes a Class B felony if the officer is injured and a Class A felony if the officer dies or if the officer is injured and a firearm was taken. The Act allows a court to suspend only that part of a sentence that is in excess of the minimum sentence imposed on a person convicted of disarming a law enforcement officer. (3<sup>rd</sup> Rdg., RC#257, 47-0)

**HEA 1113 BIRTH CERTIFICATE FRAUD**

**Author(s): DEMBOWSKI, KOCH, NOE, ULMER**

**Sponsor(s): BRAY**

**Citations Affected: IC 16-37-1-12**

HEA 1113 increases the penalty for Birth Certificate Fraud from a Class A misdemeanor to a Class D felony. (3<sup>rd</sup> Rdg., RC#259, 47-0)

**HEA 1122 JUVENILE OFFENDERS AND DETENTION FACILITIES**

**Author(s): RESKE, AUSTIN**

**Sponsor(s): BRAY, LANANE**

**Citations Affected: IC 31-30; IC 31-37-4-4**

HEA 1122 modifies the jurisdiction of juvenile law as it relates to a child who: (1) is alleged to have committed a crime that would be a felony if committed by an adult; and (2) has previously been waived to a court having felony jurisdiction (Under current law, the juvenile law does not apply to felonies and misdemeanors committed under these circumstances.), violation of certain traffic offenses, and alleged violations by a child of carrying a handgun without a license or dangerous possession of a firearm as a felony. The Act provides that a juvenile court may waive jurisdiction if a child is charged with certain acts that are felonies (rather than felonies and misdemeanors). Additionally, the Act provides that any facility that is used or has been used to house or hold juveniles shall give the Indiana Criminal Justice Institute access to inspect and monitor the facility. (3<sup>rd</sup> Rdg., RC# 212, 46-0)

**HEA 1271 INMATE CREDIT TIME**

**Author(s): STEMLER, BOSMA**

**Sponsor(s): SIPES, STEELE**

**Citations Affected: IC 35-50-6-3.3**

HEA 1271 limits an offender from earning credit time for a high school diploma if the offender has previously obtained a general educational development (GED) diploma. The Act prohibits an offender from earning credit time for a GED diploma if the offender has previously obtained a high school diploma. The Act creates Department of Correction credit Class IV for felons convicted of certain serious child molesting offenses and certain murders involving sex offenses. The Act specifies that persons in credit Class IV earn one day of credit for each six days of incarceration. The Act provides that persons in credit Class IV may be placed in a credit class where they earn no credit, but may not be placed in a credit class where they earn more credit. (3<sup>rd</sup> Rdg., RC# 277, 47-0)

**HEA 1276 BAIL**

**Author(s): PFLUM, KOCH**

**Sponsor(s): PAUL, SIMPSON**

**Citations Affected: IC 35-33-8-3.5**

HEA 1276 prohibits a trial court from setting bail when the arrestee is a: (1) sexually violent predator defendant; (2) person charged with child molesting; and (3) person charged with child solicitation; until the court has held a hearing in open court, and requires a court releasing one of these persons on bail to consider whether certain statutory factors warrant exceeding applicable court or county bail guidelines. The Act requires a bail hearing to be held within 48 hours unless exigent circumstances prevent the hearing from being held within 48 hours. (3<sup>rd</sup> Rdg., RC# 278, 46-0)

**HEA 1144 FAILING TO REPORT DEAD BODY**

**Author(s): PELATH, GOODIN, STUTZMAN**

**Sponsor(s): STEELE, ARNOLD**

**Citations Affected: IC 35-45-19**

HEA 1144 makes it a Class A misdemeanor if a person who discovers or has custody of the body of a deceased person and who knowingly or intentionally fails to report the dead body to a public safety officer, coroner, physician, or 911 telephone call center within three hours of finding the body, when it appears the deceased person died by violence, suicide, accident, or under certain other suspicious or unusual circumstances, commits failure to report a dead body. The Act provides that the reporting requirement does not supersede any law governing the reporting of a death by a hospital, health care facility, or provider. (3<sup>rd</sup> Rdg., RC# 191, 45-2)

**Civil Law**

**General**

**SEA 307 VARIOUS BUSINESS MATTERS**

**Author(s): BRAY, BRODEN**

**Sponsor(s): BARDON, BURTON**

**Citations Affected: IC 4-1-10-5; IC 4-5-1-11; IC 9-17; IC 9-18-26; IC 9-22; IC 9-23-2; IC 9-29; IC 9-31; IC 15-7-1-29; IC 23-1-18-3; IC 23-15-1-1; IC 23-16-12-4; IC 23-17-29-3; IC 23-18-12-3**

SEA 307 permits the disclosure of social security numbers for purposes of administration of the Uniform Commercial Code by the Secretary of State. The Act codifies a memorandum of understanding between the Secretary of State and the Bureau of Motor Vehicles (BMV) to transfer responsibilities under: (1) IC 9-18-26 (dealer license plates); (2) IC 9-22-4 (licensing of vehicle salvaging); and (3) IC 9-31-4 (boat dealer licenses); from the BMV to the Secretary of State. The Act amends the review procedures for a person denied a license to engage in: (1) vehicle salvaging; (2) the business of buying or selling motor vehicles; or (3) the business of selling boats. The Act establishes the dealer compliance account and deposits certain license and permit fees collected by the



Secretary of State in the account. Additionally, the Act appropriates money in the account to the Secretary of State for the purposes of the account. Also, the Act provides that the Secretary of State (rather than the BMV) retains fees for: (1) boat dealers licenses; and (2) changes of business names or locations for boat dealers. Further, the Act provides that a boat dealer license is valid for one year (Current law provides that the license is valid for two years.) and; eliminates the filing fee for designation or change of resident agent. Finally, the Act reduces fees for electronic filings with the secretary of state and makes conforming amendments. (Concurrence, RC# 295, 43-0)

#### **HEA 1219 UNEMPLOYMENT INSURANCE**

**Author(s): TYLER, AUSTIN, KOCH**

**Sponsor(s): KRUSE**

**Citations Affected: IC 22-4-5-1; IC 22-4-14-1**

HB 1219 excludes from remuneration of services, for the purpose of determining income that is deductible from unemployment insurance benefits, compensation made by a valid negotiated contract or agreement in connection with a layoff or plant closure, without regard to how the compensation is characterized by the contract or agreement. Also, excluded by the Act from deductible income is any supplemental unemployment insurance benefit made under a valid negotiated contract or agreement. The Act includes in deductible income, for the purpose of determining an individual's unemployment insurance benefits, for a week in which a payment is actually received by an individual, payments made by an employer to an individual who accepts an offer from the employer in connection with a layoff or a plant closure. The Act includes in deductible income a portion of certain payments made by an employer to an individual in connection with a layoff or a plant closure, if the portion is attributable to a week and the week: (1) occurs after an individual receives the payment; and (2) was used under the terms of a written agreement to compute the payment. The Act specifies that a person, excluding a person who elects to retire in connection with a layoff or plant closure and receive pension, retirement, or annuity payments, who: (1) accepts an offer of payment or other compensation offered by an employer to avert or lessen the effect of a layoff or plant closure; and (2) otherwise meets the eligibility requirements; is entitled to receive unemployment insurance benefits in the same amounts, under the same terms, and subject to the same conditions as any other unemployed person. The Act authorizes payment to certain state educational institutions for specific training programs from the special employment and training services fund. The Act allows the Department of Workforce Development to operate a data match system with financial institutions doing business in Indiana for use only in the collection of unpaid final assessments of employer contributions for the state's unemployment insurance system. Makes conforming amendments. (Conference Committed Adopted, RC#360, 45-2)

#### **HEA 1112 LEARNERS' PERMITS AND GRADUATED DRIVERS' LICENSES**

**Author(s): MICON, AUSTIN, TORR, WELCH**

**Sponsor(s): WYSS, TALLIAN**

**Citations Affected: IC 9-13-2-72.3; IC 9-24; IC 9-27-4-4; IC 9-29-9-2; IC 9-30-3-12; IC 20-19-2-8**

HEA 1112 establishes the interim study committee on learners' permits and graduated drivers' licenses to study: (1) the minimum age at which learner's permits and probationary driver's licenses can be issued by the bureau of motor vehicles; (2) requirements for practice driving before a probationary driver's license can be issued; (3) the use of handheld devices by probationary drivers; (4) conditions to which the probationary driver is subject while driving; (5) whether a penalty should be given to a minor who accompanies a probationary driver without an accompanying adult driver of a certain age; and (6) the adoption of rules concerning driver education instruction. (3<sup>rd</sup> Rdg, RC# 208, 43-3)

**HEA 1259 CHILD SAFETY AND CHINS**

**Author(s): VANDENBURGH**

**Sponsor(s): BECKER, BREAUX, HOWARD**

**Citations Affected: IC 22-12; IC 31-34-21**

HEA 1259 requires certain above ground swimming pools to be sold with an access ladder or steps that may be: (1) secured and locked; or (2) removed. The Act requires the Department of Child Services to provide notice to certain individuals seven days before a periodic case review for a child in need of services. (Current law requires the department to send notice ten days before the periodic case review.)(3<sup>rd</sup> Rdg, RC# 250, 47-0)

**HEA 1129 ARCHEOLOGY**

**Author(s): PIERCE, BISCHOFF, SAUNDERS**

**Sponsor(s): MERRITT, YOUNG**

**Citations Affected: IC 14-8-2-53; IC 14-9-8-1; IC 14-21-1; IC 14-22-40-5; IC 23-14-57-4**

HEA 1129 redefines "artifact" and changes the date used in determining whether an object or feature is an artifact. Also redefined by the Act are the terms "burial ground" and "plan". The Act establishes criminal penalties for certain actions that disturb human remains. The Act requires the Department of Natural Resources (Department) to take action on archeology and development plans within 60 days. The Act includes limitations of excavating or covering over the ground near burial ground. The Act requires the Department to respond within ten business days after receiving notice of a discovered artifact or burial object. The Act makes reports concerning the location of historical or archeological sites confidential under some circumstances and allows certain persons to accompany a conservation officer to investigate a violation of historic preservation and archeology law. The Act establishes a fund to assist private homeowners who accidentally discover an artifact, a burial object, or human remains and need assistance to comply with an approved archeological or development plan. The Act empowers a court to order restitution for certain costs related to the violation of historic preservation and

archeology law. Further, the Act establishes criminal penalties for possession of loitered property and enhanced penalties if the cost of carrying out an archeological investigation on the site that was damaged to obtain the looted property is more than \$100,000. (3<sup>rd</sup> Rdg., RC#213, 46-0)

**HEA 1179 RECOVER FOR RESTRAINT OF TRADE**

**Author(s): MOSES, FRIZZELL, MURPHY**

**Sponsor(s): BRAY, LANANE**

**Citations Affected: IC 24-1**

HEA 1179 authorizes the Attorney General to bring suit on behalf of the state or a political subdivision to recover direct or indirect damages suffered by the state as the result of certain unlawful acts in restraint of trade. The Act also provides that a prevailing plaintiff is also entitled to treble damages and reasonable costs and attorney's fees. (3<sup>rd</sup> Rdg., RC #218, 46-0)

Landlord/ Tenant/Housing

**SEA 26 SMOKE DETECTORS IN RENTAL PROPERTIES**

**Author(s): JACKMAN, STEELE, TALLIAN**

**Sponsor(s): L. LAWSON, KNOLLMAN**

**Citations Affected: IC 22-11-18; IC 32-31; IC 36-8-17-8**

SEA 26 makes it a Class B infraction if a landlord fails to: (1) properly install a smoke detector at the time a tenant moves in; or (2) repair an inoperative hard wired smoke detector within seven days of receiving notice of the need for repair. The penalty increases a Class A infraction for a subsequent offense. The Act further provides that a landlord and a tenant may not waive the requirement that a smoke detector be installed in each rental unit and a tenant is required to replace batteries as needed in a battery operated smoke detector and to provide written notice of any malfunctions of a hard wired smoke detector to the landlord. The Act permits a fire department to inspect a private dwelling upon the request of the owner or primary lessee who resides in the dwelling. (3<sup>rd</sup> Rdg., RC # 98, 41-7)

**SEA 62 POSTING NOTICE OF FORECLOSURE SALE**

**Author(s): STEELE, DROZDA**

**Sponsor(s): DEMBOWSKI, FOLEY**

**Citations Affected: IC 32-29-7-3**

SEA 62 amends Indiana Code section 32-29-73, the statute governing notice of foreclosure proceedings by removing the requirement that the sheriff post written or printed notices of the real estate sale in at least 3 public places in each township in which the real estate is located. (CCR, RC# 352, 45-2)

**SEA 107 WINE SALES****Author(s): BECKER, RIEGSECKER, STEELE, SIMPSON****Sponsor(s): VANHAAFTEN, WELCH****Citations Affected: IC 22**

SEA 107 an instructor teaching a class on wine appreciation at an accredited college or university (as described under IC 24-4-11-2) may purchase, acquire, possess, and dispense wine for educational purposes within the class without a permit under this title.

The Act increases the amount of wine that can be sold and still be considered a "farm winery"

The Act increases the amount of wine an applicant can sell and still be granted a direct wine seller permit. Further, an applicant for a direct wine seller permit must not have distributed wine through a wine wholesaler in Indiana within the one hundred twenty (120) days immediately preceding the applicant's application for a direct wine seller's permit and does not distribute wine through a wine wholesaler in Indiana during the term of the direct wine seller's permit; or have operated as a farm winery under Indiana Code section 7.1-3-12. (Concurrence, RC#303, 43-3)

**HEA 1061 APPLICATION LANDLORD-TENANT STATUTES****Author(s): DAY, FOLEY****Sponsor(s): BRAY, LANANE****Citations Affected: IC 32-31**

HEA 1061 provides that the residential landlord-tenant statutes apply to a rental agreement that gives the tenant an option to purchase and that is entered into after June 30, 2008. *(For more information on this Act, please refer to the section on Consumer Protection.)*

**HEA 1359 MORTGAGE LENDING****Author(s): BARDON, BURTON, RIPLEY****Sponsor(s): PAUL, SIMPSON****Citations Affected: IC 4-22-2-37.1; IC 24-4.5; IC 24-7; IC 28-1; IC 28-2; IC 28-5-1; IC 28-6.2; IC 28-7; IC 28-8; IC 28-10-1-1; IC 28-11; IC 28-13; IC 28-8-4-22; IC 28-8-4-23; IC 28-8-4-26**

HEA 1359 requires Attorney General's Homeowner Protection Unit (Unit) to: (1) establish a new toll free telephone number; or (2) designate an existing toll free telephone number; to receive calls from persons having information about suspected fraudulent residential real estate transactions. Unless otherwise prohibited by law, requires the Unit to share information reported by callers with appropriate law enforcement and regulatory agencies not later than 15 business days after the Unit determines the appropriate entity to which the information should be referred. The Act allows the Indiana Housing and

Community Development Authority (Authority) to make or participate in the making of: (1) construction loans; and (2) mortgage loans; for multiple family residential housing under terms approved by the authority. Should the Authority make a mortgage loan it must ensure that a mortgage loan: (1) acquired by the Authority; or (2) made by a mortgage lender with funds provided by the authority; may not knowingly be made to a person whose adjusted family income exceeds 125% of the median income for the geographic area involved. For purposes of allocating federal low income housing credits, provides that a "qualified building" is a building that is used or will be used to provide residential housing for special needs populations. (Current law provides that a "qualified building" is a building that is used or will be used to provide residential housing for persons with disabilities.) The Act provides that the issuance of bonds by the Authority is subject to the approval of the public finance director. (Current law provides that the authority's bonding authority is subject to governor's approval.)

The Act repeals provisions concerning job and contract awarding preferences for the Authority's program for making or participating in the making of mortgage loans for multiple family residential housing. Also repealed by the Act are provisions concerning the articles of incorporation of sponsors, builders, or developers of multiple family residential housing. The Act eliminates the exemption from the loan broker statute for: (1) persons authorized to make loans on behalf of, or insured by, certain federal agencies; and (2) licensed real estate brokers and salespersons who render loan related services in a real estate transaction. It specifies that evidence of compliance with the licensing and registration requirements for loan brokers, originators, and principal managers may include a national criminal history background check by the Federal Bureau of Investigation (FBI). The Act further specifies that the Securities Commissioner (Commissioner) shall require each: (1) equitable owner of a loan brokerage business; and (2) applicant for registration as an originator or a principal manager; to submit fingerprints for a national criminal history background check by the FBI. The Commissioner is prohibited by the Act from releasing the results of a national criminal history background check to a private entity. The Act removes a provision in existing law allowing the Commissioner to check the qualifications and background of each: (1) equitable owner of a loan brokerage business; and (2) applicant for registration as an originator or a principal manager; by accessing a multistate automated licensing system for mortgage brokers and originators. The Commissioner is allowed by the Act to designate a multistate automated licensing system and repository as the sole entity responsible for processing applications for: (1) licenses for loan brokers; and (2) certificates of registration for originators and principal managers.

The Act specifies that a loan broker is subject to the state statute requiring disclosure of a breach of the security of specific records. The Act prohibits loan brokers, originators, and principal managers from disposing of unencrypted, unredacted personal information with respect to borrowers or prospective borrowers without first taking certain actions to render the personal information illegible or unusable.

The Act provides that: (1) first lien mortgage transactions are subject to regulation by; and (2) creditors making first lien mortgage transactions must be licensed by; the

department of financial institutions. The Act requires a creditor, a mortgage servicer, or an agent of a creditor to acknowledge a written offer made in connection with a proposed short sale of property that is subject to a mortgage transaction that is at least 60 days delinquent. And, the acknowledgment must be provided not later than 10 business days after the date of the offer. Further the creditor, servicer, or agent to accept or reject the short sale offer not later than 30 business days after receipt of the offer.

The Act requires the real estate appraiser licensure and certification board to require each initial applicant for licensure or certification as a real estate appraiser to submit fingerprints for a national criminal history background check by the FBI. The Board may not release the results of a national criminal history background check to a private entity. The Act requires the Department of Insurance to establish an electronic system for the collection and storage of the following information concerning residential mortgage transactions: (1) an identification of the property involved in the transaction; (2) The names and license, registration, or certificate numbers of certain professionals participating in or assisting with the transaction; (3) The date on which the closing agent received the closing instructions from the creditor; and (4) The date of the closing.

The Act provides that the system must allow closing agents to: (1) input the required information; and (2) submit the form electronically to a data base maintained by the department of insurance. Professionals involved in the transaction must submit their names and license, registration, or certificate numbers to the closing agent in the transaction not later than the time of the closing. Additionally, the Department of Insurance must make the data base accessible to: (1) the state agencies responsible for regulating the specified professionals; and (2) the homeowner protection unit in the attorney general's office. Department of Insurance is allowed to adopt rules to: (1) implement the system; and (2) establish an administrative fee to cover the Department's expenses in establishing and maintaining the system.

With respect to a debtor domiciled in Indiana, the Act provides money in a health savings account established under the Internal Revenue Code is exempt in a bankruptcy proceeding. Further, the Act requires various state agencies to form the mortgage lending and fraud prevention task force to coordinate the state's efforts to: (1) regulate the various participants involved in originating, issuing, and closing home loans; (2) enforce state laws and rules concerning mortgage lending practices and mortgage fraud; and (3) prevent fraudulent practices in the home loan industry. The Act directs the Indiana Housing and Community Development Authority to provide, not later than November 1, 2008, a report to the legislative council that includes the following: (1) an identification of new and existing funding sources that can be used to assist Indiana homeowners in refinancing their existing mortgage transactions, in order to prevent the foreclosure of the homes secured by the mortgages; (2) a plan for the rehabilitation of areas in Indiana that have been adversely or disproportionately affected by mortgage foreclosures.

The Act requires the Securities Commissioner and the director of the department of financial institutions to cooperate to determine the appropriate state agency or department to regulate a person subject to regulation, licensure, or registration under both: (1) the

loan broker statute; and (2) the provisions of this act providing that first lien mortgage transactions are subject to regulation by the department of financial institutions.  
(Conference Committee Report adopted, RC#363 47-0)

**HEA 1165 HOMELESSNESS, FOSTER YOUTH AND EDUCATION**

**Author(s): AVERY, CHEATHAM, CROUCH, KNOLLMAN**

**Sponsor(s): BECKER, LAWSON, SIPES, DELPH**

**Citations Affected: IC 5-20-1-4; IC 20-27; IC 20-50; IC 21-12-6-9; IC 31-9-2; IC 31-28-5; IC 31-36-3; IC 34-30-2-133**

HEA 1165 requires the Indiana Housing and Community Development Authority to: (1) oversee and encourage a regional homeless delivery system; (2) facilitate the dissemination of information to assist individuals and families in accessing local resources, programs, and services related to homelessness, housing, and community development; and (3) determine the number of homeless individuals, including homeless children, in Indiana, and the number of homeless in Indiana who are not residents of Indiana. *(For more information on this Act, please refer to the section on Families & Children.)*

Probate

**SEA 81 TRANSFER ON DEATH CONVEYANCES AND PROHIBITION OF CERTAIN FEES**

**Author(s): KRUSE, MISHLER, BRAY, TALLIAN**

**Sponsor(s): HERRELL, FOLEY, L. LAWSON**

**Citations Affected: IC 6-1.1-5-7; IC 9-17; IC 9-18-12-5; IC 9-29-4-4; IC 9-31-2; IC 32-21-13**

SEA 81 authorizes an owner of a vehicle or a watercraft to transfer ownership of the vehicle or watercraft upon the death of the owner by designating a transfer on death beneficiary on the certificate of title for the vehicle or watercraft. The Act allows 60 days rather than 31 days for an individual acquiring a motor vehicle or a watercraft as a transfer on death beneficiary to fulfill certain duties. The Act prohibits political subdivisions or local law enforcement agencies of political subdivisions from imposing or collecting an accident response service fee on or from the driver of a motor vehicle or any other person involved in a motor vehicle accident. Finally, the Act prohibits a sheriff or an employee of a jail from charging an individual a fee for the individual to be incarcerated or held in a jail unless the individual has been convicted of a crime for which the individual was incarcerated or held in jail. (Concurrence, RC#301, 46-0)

**SEA 78 PROBATE AND TRUST MATTERS**

**Author(s): BRODEN, ZAKAS**

**Sponsor(s): VANHAAFTEN, FOLEY, TYLER**

**Citations Affected: IC 6-1.1; IC 29-1-13-1.5; IC 29-3-9-1; IC 30-4-2.1-12; IC 30-5-4; IC 32-17-13-4; IC 34-30-2-122.9**

SEA 78 establishes procedures for obtaining access to a safe deposit box following the death of the individual leasing the safe deposit box. The Act extends to 12 months the period for which a parent of a minor or a guardian of a protected person can delegate by properly executing a power of attorney certain powers concerning the support, custody, or property of the minor or protected person. The Act removes the requirement that the parent or guardian be incapacitated or absent during the period in which the delegated powers are conferred upon the attorney in fact. The Act specifies the order in which beneficiary interests in a trust must be abated if the trust property is insufficient to fully satisfy the interests of all beneficiaries. The Act permits a power of attorney to be signed at the principal's direction. (Current law requires a power of attorney to be signed by the principal to be valid.) The Act provides that if a power of attorney is signed at the direction of the principal, the notary must state that the individual who signed the power of attorney did so at the principal's direction. Further the Act provides that if a parent was convicted of causing the death of the other parent by murder, voluntary manslaughter, or another criminal act, and the death does not result from the operation of a vehicle, the parent may not receive: (1) an intestate share of the child's estate; or (2) a refund of unused accident and sickness insurance premiums upon the death of the insured child, if the child paid the insurance premiums. (The introduced version of this bill was prepared by the probate code study commission.) (CCR#1, RC#333, 45-0)

#### Public Safety

#### **HEA 1234 SCHOOL ATTENDANCE RECORDS**

**Author(s): BLANTON, AUSTIN**

**Sponsor(s): CHARBONNEAU, SIPES**

**Citations Affected: IC 20-33-2**

HEA 1234 allows certain law enforcement officers to inspect student attendance records and enforce the attendance laws. The Act requires that an affidavit against a parent to enforce the compulsory school attendance law to be filed in a court with jurisdiction in the county in which the student resides. (3<sup>rd</sup> Rdg., RC# 224, 45-0)

#### **HEA 1096 VARIOUS PROVISIONS CONCERNING COURTS**

**Author(s): HAYS, BISCHOFF**

**Sponsor(s): BRAY, BRODEN, LANANE**

**Citations Affected: IC 2-5-1.5-5; IC 9-24-15-4; IC 33-23; IC 33-30-2; IC 33-31-1-24; IC 33-33**

**HEA 1096** allows a petition for a hardship driving license to be filed in the superior court of the county in which the petitioner resides (Under current law the petition can be filed only in the circuit court of the county in which the petitioner resides.) however, that if at



the time a petition for a hardship driving license is filed: (1) the petitioner is a defendant in a pending case concerning the operation of a vehicle while intoxicated; (2) the petitioner is on probation after being convicted of operating a vehicle while intoxicated; or (3) the petitioner's driving privileges have been suspended after the petitioner was convicted of committing a controlled substance offense; the petition may be filed only in the circuit court or superior court in which the case is pending or the petitioner was convicted.

The Act removes references to the clerk of the Supreme Court from statutes concerning: (1) compensation of elected officials; and (2) annual economic interest statements filed by judicial officers or candidates for judicial office who are subject to election or a retention vote. (As of January 1, 2007, the clerk of the Supreme Court ceased being a statewide elected office and is now appointed by the chief justice.).

The Act provides that the powers of a magistrate include the power to enter a final order or judgment: (1) in a proceeding involving the small claims docket of the court; and (2) concerning protective orders to prevent domestic or family violence. The Act impacts the number of judges in Franklin and Madison. (The introduced version of this bill was prepared by the commission on courts.) (3<sup>rd</sup> Rdg., RC#206, 46-0)(Conference Committee Report adopted, RC#338, 44-0)

#### **HEA 1114 RESIDENCY OF POLICE AND FIRE DEPARTMENTS**

**Author(s): DEMBOWSKI, CANDELARIA-REARDON**

**Sponsor(s): LAWSON, DEIG**

**Citations Affected: IC 36-8**

HEA 1114 establishes separate statutes that define general residency requirements for each of the following: (1) Members of city police and fire departments. (2) Members of town police and fire departments (excluding volunteer fire departments or members who are volunteer firefighters). (3) Members of township fire departments (excluding volunteer fire departments or members who are volunteer firefighters). The Act allows town legislative bodies to adopt an ordinance or a township legislative body may adopt a resolution requiring a member of a police or fire department to live within the county in which the town or township is located or within a certain distance from the township or town. The Act provides that such an ordinance or resolution may not apply to a member who does not comply with the requirements of the ordinance or resolution on the date the ordinance or resolution is adopted. The Act provides that a member appointed to a town metropolitan police department or town marshal system before July 1, 2008, may not be required to reside within: (1) the county in which the town is located; or (2) a county that is contiguous to the county in which the town is located; if the member resided within a noncontiguous county on July 1, 2008. Finally the Act provides that members of town police and fire departments may not use vehicles owned or maintained by their department outside the county except during the performance of official duties or as provided for by department regulation. (3<sup>rd</sup> Rdg., RC#196, 47-0)

**HEA 1253 MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES**

**Author(s): SAUNDERS, AUSTIN**

**Sponsor(s): BOOTS**

**Citations Affected: IC 9-21-2**

HEA 1253 provides that the Indiana Department of Transportation shall adopt the Indiana Manual on Uniform Traffic Control Devices for Streets and Highways. *(For more information, please refer to the section on Transportation.)*

**HEA 1105 VARIOUS PUBLIC SAFETY MATTERS**

**Author(s): TINCHER, GOODIN**

**Sponsor(s): BRAY, WATERMAN, WYSS, SKINNER**

**Citations Affected: IC 5-22-22-12; IC 36-1-11-5.7; IC 36-8-19**

HEA 1105 provides a refresher course must be created for law enforcement officers of a particular experience level. And sets for the perimeters of the class.

The Act creates a deferred retirement option plan called “DROP” for law enforcement officers. DROP requires in part a law enforcement officer who: (1) has less than 25 years experience as a law enforcement officer; and (2) has not been employed as a law enforcement officer in the 10 years before being hired as a law enforcement officer; to repeat the full basic training course in order to regain law enforcement powers.

The Act legalizes any transfer of money from a participating unit to a fire protection territory before July 1, 2008. The Act provides that when a fire protection territory dissolves, title to any real property transferred to the provider unit reverts to the participating unit that transferred the real property to the provider unit. Provides that on January 1, 2009, the fire departments of all of the following are consolidated into the fire department of the consolidated city: (1) The townships in the county containing the consolidated city. (2) A fire protection territory in the county containing the consolidated city. The Act provides that after December 31, 2008, the consolidated fire department provides fire protection services throughout the county with the exception of the excluded cities. The Act details functions to be undertaken as a result of consolidation. The Act exempts from the property tax levy limits any amounts imposed by the consolidated city or the county to fund former township indebtedness sets a maximum property tax levy for the consolidated city for property taxes payable in 2009, 2010, and 2011 that is the sum of the city's 2009 maximum levy plus the combined amounts levied in 2008 by the townships, fire protection territory, and included towns for firefighting. The Act adjusts the county option income tax distributive shares of the townships and the consolidated city and county. The Act specifies that the balance in the cumulative building and equipment fund for fire protection and related services of each entity whose fire department is consolidated into the fire department of the consolidated city be transferred to the consolidated city's cumulative building and equipment fund for fire protection and related services. (Conference Committee Report adopted, RC#357, 47-0)

## Professional Licensing

### **SEA 316 PRACTICE OF VETERINARY MEDICINE**

**Author(s): DILLON, LAWSON, YOUNG JR**

**Sponsor(s): GRUBB, CHERRY, FRIEND**

**Citations Affected: IC 5-14-1.5-6.1; IC 15-2.1-2-40; IC 16-20; IC 23-1.5-1-14; IC 25-1; IC 25-26-21-5; IC 25-38.1; IC 34-30-2; IC 35-46-3-5**

SEA 316 has made several changes to the practice of Veterinary Medicine. The following terms were defined:

- Client
- Consultation
- Contract operator
- direct supervision
- indirect supervision
- registered veterinary technician
- supervisor
- veterinary assistant
- veterinarian-client relationship

The term “practice of veterinary medicine” has been amended and now includes the dispensing of medicines to treat animals, perform complementary or alternative therapy upon an animal; and certifying animal fitness.

The Act provides immunity for veterinarians and registered veterinary technicians who in good faith report a suspected incident of animal cruelty. Specifically, a person who: (1) practices as a veterinarian or registered veterinary technician without a license, permit, or registration; or (2) supplies false information on an application; commits a Class A misdemeanor. (The current penalty is a Class B misdemeanor.) Provides that other violations of the article are a Class A infraction. The Act establishes an impaired veterinary health care provider program. The Act establishes an impaired veterinary health care provider fund. It requires that part of an application fee be deposited into the fund. It requires the board to amend certain administrative rules. The Act makes technical and related changes, and makes an appropriation.

The Act removed the definition of “veterinary technician” and adds “registered veterinary technician” to the Board of Veterinary Medical Examiners. A veterinary technician must be registered. A veterinary technician may perform certain procedures under indirect supervision. A veterinary technician may be disciplined for intoxication.

The Act modifies the provisions governing who may practice veterinary medicine without a license.

The Act provides that persons convicted of an offense that would bear “on the person’s ability to practice ethically or would have violated certain standards of practice, may not

be licensed as a veterinarian. A veterinarian may supervise or delegate specified responsibilities. A veterinarian may only dispense or prescribe medicines in a veterinary-client relationship.

The Board of Veterinary Medical Examiners has the power to require continuing education as a condition of renewal of a license if the license has been expired for not more than five years.

A Veterinary Assistant is prohibited from diagnosing, prescribing, or perform surgery. (Concurrence, RC# 296, 39-4)

## **SEA 302 HEALTH PROFESSIONS AND OCCUPATIONS**

**Author(s): MISHLER**

**Sponsor(s): WELCH, FRIZZELL**

**Citations Affected: IC 25-1; IC 25-2.1-4-2; IC 25-2.5-2-5; IC 25-4; IC 25-5.1-3-5; IC 25-6.1-3; IC 25-7-6; IC 25-8; IC 25-10-1-6; IC 25-13-1-8; IC 25-14-1-10; IC 25-14.5-6; IC 25-15-6; IC 25-19-1; IC 25-20-1-12; IC 25-20.2-6-2; IC 25-20.5-1-18; IC 25-21.5-8; IC 25-22.5; IC 25-23-1-19.4; IC 25-23.7-6-2; IC 25-24-1-14; IC 25-26; IC 25-28.5-1-22; IC 25-29-6-3; IC 25-30; IC 25-31-1-17; IC 25-32-1-13; IC 25-33-1-10; IC 25-34.1-3; IC 25-35.6-3-6; IC 35-48-7**

SEA 302 has made numerous changes in the areas of professional and health licensing. Pursuant to the Act, an advanced practice nurse licensed and granted the authority to prescribe legend drugs under IC 25-23 has been added to the definition of "practitioner" amending Indiana Code section 16-42-21-3. Also, the State Board of Massage Therapy has been added to the meaning of "board" in Indiana Code section 25-1-8-6.

The Act allows members of the State Boxing Commission to participate in meetings to consider final approval of a permit for a particular boxing or sparring match or exhibition, if a means of communication is used that allows all commission members and the public to simultaneously communicate with each other.

The Act changes the procedures for renewal of expired certificates and licenses, and provides that the professional licensing agency sets the times for license renewals for a number of professions set forth in Indiana Code section 25-1-8-6.

Further, the Act:

- changes the qualifications for licensing of out-of-state architects, accountants, and acupuncturists.
- changes the qualification criteria for approval to sit for the licensing examination for architects.
- Requires a law enforcement officer of another state to comply with the security guard agency licensing requirements in order to operate a security guard agency.

- Prohibits advanced practice nurses from entering into collaborative practice agreements with physician assistants; and provides that advanced practice nurses with prescriptive authority are subject to certain restrictions regarding drug samples.
- Establishes qualifications for a provisional license for physicians.
- Adds a definition of "dispense" to the law concerning controlled substances.
- Provides that a physician assistant who renders care in response to an emergency under the state emergency management law, is not required to comply with the law requiring supervision by a physician.

(Concurrence RC#335, 45-0)

## **HEA 1172 VARIOUS PROFESSIONS AND OCCUPATIONS**

**Author(s): WELCH, BROWN**

**Sponsor(s): MISHLER, BRODEN**

**Citations Affected: IC 16-18-2-204.5; IC 16-20-1-14; IC 16-22-8-34; IC 16-27-2; IC 16-28-11-5.5; IC 25-1-7; IC 25-2.5-3-3; IC 25-13-1; IC 25-14-1; IC 25-19-1-3; IC 25-20.5-1-1; IC 25-23-1; IC 25-23.3; IC 25-23.5-3-1.5; IC 25-23.6; IC 34-30-2-98.2**

HEA 1172 codifies the uniform emergency volunteer health practitioners act to provide a procedure for recognizing other states' licenses for health practitioners who volunteer to provide assistance during an emergency requiring significant health care assistance.

The Act requires the Office of the Secretary of Family and Social Services to form a nonprofit corporation to establish and operate an umbilical cord blood bank. The nonprofit corporation then must establish an umbilical cord blood donation initiative to promote public awareness concerning the medical benefits of umbilical cord blood.

Beginning July 1, 2008, and until June 30, 2009, The Act requires a home health agency and a personal services agency to obtain an employee's limited criminal history not more than three business days after the date that an employee begins to provide services. Specifies the circumstances in which a nursing home is not required to provide cardiopulmonary resuscitation or other intervention on a patient who has died.

The Act makes certain changes to the law concerning defibrillators in health clubs. It removes physician referral requirements to receive acupuncture and specifies training and testing requirements. The Act amends roles of dental hygienist and dental assistants. The Act exempts licensed mental health counselors from the licensed hypnotist requirements. The Act establishes the interstate nurse licensure compact beginning July 1, 2009, which allows the State Board of Nursing to issue a registered nurse license to certain applicants. The Act requires specified examination and registration fees to be used for the rehabilitation of impaired registered nurses and impaired licensed practical nurses. The Act allows an optometrist to refer patients to an occupational therapist. The Act establishes licensing and continuing education requirements for marriage and family therapist associates, and requires emergency rules for the implementation of the

licensure. The Act requires the office of Medicaid policy and planning to receive approval to cover umbilical cord transplants under the Medicaid program. The Act requires the health finance commission to address domestic violence programs. The Act repeals a provision that abolishes and transfers the rights, powers, and duties of the State Board of Examination and Registration of Nurses. (Conference Committee Report adopted RC# 348, 46-1)

### Entertainment

#### **SEA 192 TRUTH IN MUSIC ADVERTISING**

**Author(s): DEIG, BECKER**

**Sponsor(s): HOY, BORDERS**

**Citations Affected: IC 24-5-25**

SEA 192 prohibits a person, other than a media source, from advertising or conducting a live musical performance or production by falsely, deceptively, or misleadingly implying that there is an affiliation between a performing group and a recording group. Makes a violation of the provision a Class A infraction. (Concurrence RC#306, 46-0)

#### **HEA 1042 INTENT TO SELL SEXUALLY EXPLICIT MATERIALS**

**Author(s): GOODIN, HARRIS, STUTZMAN**

**Sponsor(s): STEELE, LEWIS**

**Citations Affected: IC 23-1-55; IC 24-4-16**

HEA 1042 requires a person that intends to offer for sale or sell sexually explicit materials to register and file a statement with the Secretary of State. Imposes a \$250 filing fee and requires the Secretary of State to notify certain local officials of the county in which the person locates the business. The Act provides that a person that offers for sale or sells sexually explicit materials without registering and filing the statement commits a Class B misdemeanor. (3<sup>rd</sup> Rdg, RC# 253, 44-2)

### Juvenile

#### **HEA 1290 FOSTER CARE, CHILD SERVICES, PLACEMENT OF CHILDREN**

**Author(s): AVERY, BELL, DAY, SUMMERS**

**Sponsor(s): LAWSON, BECKER, SIPES, TALLIAN**

**Citations Affected: IC 12-13-5-13; IC 31-9-2; IC 31-27-4; IC 31-28-5**

HEA 1290 provides that an individual who received foster care a month before the individual became 18 years of age may request the Department of Child Services (Department) to petition a court to receive older youth foster care until the individual reaches 21 years of age if the individual is: (1) employed; (2) attending a vocational

program; (3) attending an educational program; or (4) planning on attending a vocational or educational program within six months of the individual's eighteenth birthday. The Act further provides that the Department shall implement a transitional services plan for an individual receiving: (1) older youth foster care; and (2) foster care who will become eighteen years of age or emancipated. The Act restricts the number of individuals that can be supervised and cared for in a foster family home, a special needs foster family home, or a therapeutic foster family home. This Act adopts the interstate compact for the placement of children. (Conference Committee Report adopted, RC#340, 39-4)

### Alcohol and Gaming

#### **HEA 1153 GAMING**

**Author(s): TYLER, BELL, DERMODY, GIAQUINTA**

**Sponsor(s): MEEKS, ARNOLD**

**Citations Affected: IC 4-32.2-1-1; IC 4-36; IC 6-2.5-5-43; IC 6-8.1-1-1; IC 35-45-5-12**

HEA 1153 specifies that type II gaming may be conducted by taverns that are issued a retailer's endorsement that is affixed to the tavern owner's alcoholic beverage permit and that the Alcohol and Tobacco Commission is to administer type II gaming. (*For more information on this Act, please refer to the section on Gaming.*)

#### **HEA 1118 ALCOHOL BEVERAGES**

**Author(s): VANHAAFTEN, BELL, CROUCH**

**Sponsor(s): REIGSECKER, BECKER**

**Citations Affected: IC 7.1-1-3; IC 7.1-2; IC 7.1-3; IC 7.1-4-4.1-3; IC 7.1-5; IC 9-21-4-5; IC 34-30-2-19.5; IC 35-46-1-10.1**

HB 1118 requires tobacco vending machines and establishments that sell tobacco to post a notice that: (1) states that smoking by pregnant women may result in fetal injury, premature birth, and low birth weight; and (2) provides a phone number for assistance to quit smoking. The Act establishes a two year study committee to study certain alcoholic beverage issues. The Act extends the implementation of the alcohol server training requirements to January 2010. The Act defines "grocery store" and requires alcoholic beverage sales in a drug store or grocery store to be rung up by a sales clerk who is at least 19 years of age.

The Act allows the Alcohol and Tobacco Commission (Commission) to renew or transfer ownership of a beer dealer's permit for a beer dealer who: (1) held a permit before July 1, 2008; and (2) has retail property that does not qualify for a permit as a grocery store. Accordingly, the Commission must: (1) conduct random unannounced inspections of locations where alcoholic beverages are sold or distributed; and (2) provide notice of a pending investigation at least 15 days before the investigation. (Current law requires 30 days.) Allows a person at least 18 years of age and less than 21 years of age

to receive or purchase alcoholic beverages as part of an enforcement action. The Act provides graduated civil penalties against a permittee for repeat violations of furnishing alcohol to a minor on the licensed premises and for the collected penalties to be deposited in the enforcement and administration fund. The Act imposes civil penalties for violations of tobacco laws concerning sales to minors and allowing minors to enter into certain tobacco retail establishments and are the same as penalties for selling alcohol to minors.

The Act requires a member of a local alcoholic beverage board (local board) to complete a training program to educate the member on alcoholic beverage law and the operation of the local board and the commission. And, should a local board member not complete the training within six months of appointment, the member shall be removed.

The Act requires the Commission to give notice: (1) by mail to the local board if an objection has been filed and of the date of any appeal hearing set by the Commission; and (2) by publication of the date of any appeal hearing set by the Commission.

The Act places varying restrictions and allowance on small brewery, large brewery, and beer wholesalers in their ability to sell and deliver beer to a consumer and employees of liquor wholesaler. The Act permits liquor retailers and liquor dealers to provide six ounce samples of flavored malt beverages and hard cider.

The Act requires wine wholesaler to resell wine purchased at an estate sale and protects such wholesalers from product liability for such wine. The Act prohibits a permittee from knowingly or intentionally coercing another permittee to enter into an agreement or take an action that violates the alcoholic beverage statutes and rules. (Current law prohibits only a primary source of supply or a beer wholesaler from coercing a beer wholesaler.)

The Act provides that if a beer wholesaler's warehouse is transferred, the warehouse does not have to be transferred to a location within an incorporated area. The Act requires Indiana Department of Transportation and the Office of Tourism to jointly develop tourist attraction signage promoting small breweries. The Act allows the sale of alcoholic beverages on New Year's day for off premises consumption.

The Act allows an outdoor place of public entertainment used primarily in connection with live music concerts to allow a person to enter its establishment with alcoholic beverages and consume the alcoholic beverages on the premises. The Act provides that the Commission has certain powers regarding enforcement of the tobacco laws. Act removes the provision requiring Commission enforcement officers be employed so that not more than ½ are members of the same political party. The Act allows the Commission to approve trainer programs (to educate individuals on training alcohol servers) by third parties that meet certain requirements.

The Act increases the penalty for furnishing an alcoholic beverage to a minor to: (1) a Class B misdemeanor for the first offense; (2) a Class A misdemeanor for a subsequent



offense; and (3) a Class D felony if the illegal furnishing of the alcoholic beverage results in serious bodily injury to or the death of any person. Additionally, a violation occurs if a person recklessly, knowingly, or intentionally furnishes an alcoholic beverage to a minor. (Current law provides that a violation occurs if a person recklessly furnishes an alcoholic beverage to a minor.) On the other hand, a minor who makes a false statement of the minor's age or to present or offer false or fraudulent evidence of majority or identity to an alcoholic beverage permittee for the purpose of procuring an alcoholic beverage may be found guilty of a Class C misdemeanor for (Under current law, the offense is a Class C infraction.)(3<sup>rd</sup> Rdg., RC#260, 37-9)

## **ECONOMIC DEVELOPMENT**

### **SEA 197 MINORITY AND WOMEN BUSINESSES**

**Author(s): FORD, KRUSE**

**Sponsor(s): BARTLETT, LEONARD**

**Citations Affected: IC 4-13-16.5; IC 4-35-11**

SEA 197 pertains to minority and women businesses. The act excludes utilities, certain health care services, and rent from the definition of "goods and services" for purposes of contracting with minority and women's business enterprises. It provides that the Commissioner of the Indiana Department of Transportation may designate the economic opportunity director of the department to attend meetings of the governor's Commission on Minority and Women's Business Enterprises. The act removes "other similar minority groups" from the definition of "minority group" for purposes of the governor's Commission on Minority and Women's Business Enterprises. In addition, the act amends the horse racing commission law to remove the commission's authority to establish and administer a unified certification procedure, and require the commission to use the certifications of minority and women's business enterprises made by the Department of Administration. (Concurrence, RC #309, 46-0)

An effort to modernize the system for filing mechanic's liens by the incorporation of a statewide online registry was sent to a study committee under **SEA 257**. The measure requires the State Budget Agency, in conjunction with the Office of Technology, to review and make recommendations to the Legislative Council concerning state agency use of legacy high-volume, transaction processing systems.

The State Budget Agency's recommendations may involve the use of a system by state agencies, the cost of maintaining a system, and the efficiency of a system. (Concur, RC #307, 46-0)

### **HEA 1227 SHORELINE DEVELOPMENT COMMISSION**

**Author(s): HARRIS, CANDELARIA REARDON**

**Sponsor(s): GARD, ROGERS**

**Citations Affected: IC 36-7-13.5**

HEA 1227 will add two new members to the Shoreline Development Commission. The act appoints the Port Director of the Port of Indiana-Burns Harbor and a representative from the Northern Indiana Public Service Company (NIPSCO) to the commission. (3<sup>rd</sup> Rdg., RC #198, 47-0)

**HEA 1388 -'07            VETO OVERRIDDEN**  
**FILM INDUSTRY PRODUCTION INCENTIVES**  
**Author(s):    DENBO, WELCH, LUTZ**  
**Sponsor(s):   DROZDA, SIMPSON**  
**Citations Affected:   IC 6-2.5; IC 6-3.1**

HEA 1388 pertains to film industry production incentives and was vetoed by the governor in 2007. That veto was overridden this session by both chambers thus enabling the bill to become law. The new law provides a refundable tax credit to taxpayers that make qualified media production expenditure in Indiana. It provides that the tax credit may not be awarded for a taxable year ending after December 31, 2011, and that the tax credit may be granted only if qualified production expenditures are at least \$100,000 in the case of a film or television production or at least \$50,000 in the case of other qualified media productions. In addition, it provides that in the case of a taxpayer that claims the tax credit for qualified production expenditures of less than \$6,000,000, the amount of the credit equals 15% of the taxpayer's qualified production expenditures. In the case of a taxpayer that claims the tax credit for qualified production expenditures of at least \$6,000,000, the law provides that the amount of the credit equals the taxpayer's qualified production expenditures multiplied by a percentage (not more than 15%) determined by the Indiana Economic Development Corporation (IEDC), and that the taxpayer must, before incurring or making the qualified production expenditures, apply to the IEDC for approval of the tax credit. The law provides that the IEDC may not approve more than \$5,000,000 in media production tax credits in a taxable year for taxpayers with qualified production expenditures of at least \$6,000,000. A taxpayer that is a corporation or a nonresident person and who claims the tax credit (or any successor in interest of the corporation or nonresident person) must file an Indiana income tax return for at least the first five years that the taxpayer has income from the qualified media production for which the tax credit was granted. It further provides that, notwithstanding the income apportionment statutes, the portion of the income from the qualified media production that for purposes of income taxation is considered to be derived from sources within Indiana is equal to the amount of qualified production expenditures for which the tax credit was granted for the qualified media production divided by the total production expenditures for the qualified media production. The law provides that a taxpayer may not receive the tax credit unless the taxpayer consents that the taxpayer (and any successor in interest of the taxpayer) will be subject to the jurisdiction of Indiana courts, and any civil action related to the tax credit and in which the taxpayer (or any successor in interest of the taxpayer) is a party will be heard in an Indiana court. The law prohibits taxpayers from selling or otherwise transferring the tax credit. It also expands the sales tax exemption for property acquired for use in a motion picture production to property

acquired for use in qualified media productions, and provides that a qualified applicant may not claim a tax credit and a sales tax exemption for the purchase of the same tangible personal property. (SRC #195, 36-11; HRC #8, 77-17)

## **EDUCATION**

### **SEA 22 TEACHER LICENSING**

**Author(s): LUBBERS, CHARBONNEAU**

**Sponsor(s): PORTER, BEHNING**

**Citations Affected: IC 20-28-5-15**

SEA 22 requires the Department of Education to grant an initial practitioner's license for a specific subject area in middle school or high school to an applicant who has earned a postgraduate degree from a regionally accredited postsecondary educational institution in the subject area, has experience teaching students in a middle school, high school, or college setting, and complies with certain requirements for licensure. It allows an individual licensed through the process to be hired to teach in high school, or in middle school in a shortage area designated by the state Board of Education. The individual has to comply with the same requirements as other teachers to renew a license or to obtain a proficient practitioner's license.

The act also specifies that an applicant for a substitute teacher's license is not required to receive CPR and Heimlich maneuver training. This act will help to reduce the shortage of teachers in certain areas and the elimination of the CPR and Heimlich maneuver certification for substitute teachers. (Concurrence, RC #312, 38-8)

### **SEA 51 REEMPLOYMENT OF RETIRED PUBLIC EMPLOYEES**

**Author(s): WEATHERWAX, LANDSKE**

**Sponsor(s): NIEZGODSKI, BUELL**

**Citations Affected: IC 5-10.2; IC 5-10.4**

SEA 51 reduces the waiting period after which a retired member of TRF or PERF may be reemployed. (*For more information on this Act, please refer to the section on Pensions and Labor.*)

### **SEA 111 GRADUATION RATE**

**Author(s): LUBBERS, CHARBONNEAU**

**Sponsor(s): PORTER, BEHNING**

**Citations Affected: IC 20**

SEA 111 makes technical corrections to the graduation rate law passed in 2007 and specifies that students graduating as members of a cohort include students from the cohort who graduate during the expected graduation year or during a previous

reporting year. The act further provides that students may count as graduating members of only one cohort. (Concurrence, RC# 292, 38-3)

**SEA 210 TEACHERS' RETIREMENT FUND (TRF)**

**Author(s): TALLIAN, DIEG**

**Sponsor(s): NIEGODSKI, BUELL, SANDERS**

**Citations Affected: IC 5-10.2; IC 5-10.4-4-11; IC 5-10.4-5-13**

SEA 210 allows a member of the state teachers' retirement fund (TRF) to change his or her beneficiary designation. *(For more information on this Act, please refer to the section on Pensions and Labor.)*

**HEA 1019 RETIRED STATE EMPLOYEES AND  
GROUP HEALTH COVERAGE**

**Author(s): AVERY, BUELL**

**Sponsor(s): MEEKS, HUME**

**Citations Affected: IC 5-10.2-5-43**

HEA 1019 pertains to retired state employees and group health coverage. *(For more information on this Act, please refer to the section on Pensions and Labor.)*

**HEA 1049 TIME LIMIT FOR STUDENTS TO RECEIVE  
HIGHER EDUCATION GRANTS**

**Author(s): PORTER, BATTLES**

**Sponsor(s): ALTING, SKINNER**

**Citations Affected: IC 21-12**

HEA 1049 removes the time limit for a student to receive financial aid grants once awarded the financial assistance. Under current state law, a person granted assistance by the state is ineligible to receive assistance ten years after the initial award is granted. In 2007, more than 9,000 students were affected by the ten-year rule. The introduced version of this bill was prepared by the Interim Committee on Education Matters. (3<sup>rd</sup> Rdg., RC #187, 47-0)

**HEA 1051 SCHOOL CORPORATION DONATIONS  
TO FOUNDATIONS**

**Author(s): CROOKS, CHEATAM**

**Sponsor(s): LUBBERS, HUME**

**Citations Affected: IC 20-47-1**

HEA 1051 permits a school corporation to annually donate not more than \$25,000 to a community foundation if the donation is matched by a private donor. Current law permits

school corporations to make matched donations only to public school endowment corporations. (3<sup>rd</sup> Rdg., RC #188, 46-1)

**HEA 1065 PERF RETIREMENT BENEFITS**

**Author(s): SAUNDERS, KERSEY**

**Sponsor(s): KRUSE, PAUL**

**Citations Affected: IC 5-10.2-4**

HEA 1065 pertains to TRF and PERF members who serve in an elected position while eligible to begin receiving retirement benefits. *(For more information on this Act, please refer to the section on Pensions & Labor.)*

**HEA 1165 HOMELESSNESS, FOSTER YOUTH, AND EDUCATION**

**Author(s): AVERY, CHEATAM, KNOLLMAN**

**Sponsor(s): BECKER, LAWSON**

HEA 1165 requires the Department of Education to establish an office of coordinator for education of homeless children and requires each school corporation to appoint a liaison for homeless children. The contact information for the liaison must be reported to the DOE and published on the corporation's web site.

Two provisions, which go into effect after June 30, 2009, would assist homeless students or students living in foster care. Under certain circumstances, school corporations are required to arrange for transportation for a student in foster care to attend the school in which the student was enrolled before receiving foster care. Additionally, school corporations are required to provide tutoring for a child who is in foster care or who is homeless if the school corporation determines a child has a demonstrated need for tutoring.

Language from SB 262 was inserted into the conference committee report that allows a student who has resided in a school corporation for at least two consecutive years immediately before moving to an adjacent school corporation to attend school in the former school corporation without transfer tuition being charged if the principal and superintendent in both school corporations agree. A student is prohibited to enroll in a school in a school corporation where the student does not have legal settlement primarily for athletic reasons. *(This Act contains more provisions unrelated to education, but related to homeless and foster children. For more information on those provisions, please refer to the Families and Children section.)* (CCR#1, RC #325, 44-3)

**HEA 1193 ADULT EDUCATION**

**Author(s): SIMMS, VANDENBURGH**

**Sponsor(s): TALLIAN, CHARBONNEAU**

**Citations Affected: IC 20-30-6-1.5**

HEA 1193 creates an interim study committee to study issues that relate to adult education, including funding for adult education programs. (3<sup>rd</sup> Rdg., RC #219, 43-3)

**HEA 1203 REGISTRATION OF CERTAIN SCHOOL BUSES**

**Author(s): PFLUM, SAUNDERS**

**Sponsor(s): PAUL, SKINNER**

**Citations Affected: IC 9-18-2; IC 9-29-5-42; IC 20-27-7**

HEA 1203 modifies the registration cycle for school buses not owned by a school corporation. The act requires that a school bus not owned by a school corporation must be registered before July 29 of each year. A school bus not owned by a school corporation that is registered after January 31 for the prior calendar year is permitted to be registered at 1/2 the regular rate.

Additionally, the act provides that a license plate issued before March 1, 2008, for a school bus not owned by a school corporation may be displayed through July 28, 2009. (3<sup>rd</sup> Rdg., RC #221, 46-0)

**HEA 1210 VETOED BY THE GOVERNOR  
HOMEOWNER PROTECTION**

**Author(s): VANHAAFTEN, KOCH**

**Sponsor(s): BRAY, LANANE**

**Citations Affected: IC 4-6; IC 32-34**

HEA 1210 was vetoed by the governor. The measure would have allowed an individual who had failed the Praxis I teacher licensing examination at least two times to demonstrate proficiency by submitting to the Department of Education proof of successful completion of all other requirements of a teacher education program, proof of having attained certain grade point averages, proof of having demonstrated a successful student teaching experience and letters of recommendation from certain faculty members. Proponents argued that the bill offered a fair and considerate correction on a statistical basis for those that were being held accountable inappropriately. It would have given recognition to those scoring within the tests' standard margin of error, and it did not lower standards or offer less accountability as the veto implies. (3<sup>rd</sup> Rdg. RC# 271, 27-20)

In the governor's veto message he noted, "A major challenge facing our state is to steadily improve teacher quality for Hoosier students, not to weaken it by allowing less-qualified candidates to enter the profession. The Praxis I exam is a test of basic knowledge that we should expect every prospective teacher to pass. I checked on any misgivings about the bill by seeking opinions from experts on teacher education around the country. They are all in full agreement that this policy would weaken teacher quality in Indiana."

**HEA 1234 STUDENT ATTENDANCE RECORDS AND ENFORCEMENT**

**Author(s): BLANTON, AUSTIN**

**Sponsor(s): CHARBONNEAU, SIPES**

**Citations Affected: IC 20-33-2**

HEA 1234 allows certain law enforcement officers to inspect student attendance records and enforce the attendance laws. Current law allowed attendance officers, school official, and agents of the Department of Labor to access those records. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**HEA 1244 LOCAL GOVERNMENT FINANCE**

**Author(s): CANDELARIA REARDON, GIAQUINTA**

**Sponsor(s): LAWSON**

**Citations Affected: IC 20-42-2; IC 36-9-23-33**

HEA 1244 allows for the transfer of congressional township school funds held by various counties to the Treasurer of State. *(For more information on this Act, please refer to the Local Government section.)* (3<sup>rd</sup> Rdg., RC #361, 45-2)

**HEA 1246 EDUCATION MATTERS**

**Author(s): AUSTIN, BEHNING**

**Sponsor(s): LUBBERS, SIPES**

**Citations Affected: IC 20-20-36; IC 20-30; IC 20-43-4-8; IC 21-14.8-1.5; IC 21-42; IC 21-43**

HEA 1246 establishes the Indiana Concurrent Enrollment Partnership to “foster innovation and collaboration among state educational institutions and school corporations.” The partnership will:

- (1) establish unified rigorous academic standards and assessment requirements and share best practices;
- (2) coordinate outreach and recruitment of Indiana students and teachers to participate in concurrent enrollment programs;
- (3) develop a plan to expand the dual enrollment program to every high school in Indiana;
- (4) before December 1, 2008, develop a fiscal analysis and make recommendations to the DOE, the Budget Committee, and the General Assembly to make two dual enrollment courses available without tuition and fees or at reduced tuition and fees to students in grades 11 and 12 beginning with the 2010-2011 school year;
- (5) develop and submit an annual report on the programs listed under IC 21-43-5-4(a) to the DOE and the Commission for Higher Education before July 1 of each year; and
- (6) offer recommendations on concurrent enrollment matters as requested by the State
- (7) Board of Education and the Commission for Higher Education.

Under the act, the income of a student who is eligible for the waiver of tuition and fees at a state educational institution in the double up for college dual credit program can be certified through a free or reduced lunch application form, a state or federal income tax return, or a certification from any state agency based upon income records.

The act also requires an initial graduation plan developed by students in grade 6 and the student's parent that includes a statement of intent to graduate from high school and will become part of the student's permanent school record.

Finally, the act assigns the Interim Study Committee on Education Matters with a study on K-12 Virtual Learning. Some of the discussion focused on virtual learning as a strategy to serve expelled students as well as those students in need of credits not offered at their schools at the time they need the course to graduate. (CCR#1, RC #361, 45-2)

#### **HEA 1249 TUITION EXEMPTION FOR PURPLE HEART RECIPIENTS**

**Author(s): KLINKER, CROUCH**

**Sponsor(s): WYSS, ALTING**

**Citations Affected: IC 21-14-10**

HEA 1249 waives tuition and fees for an Indiana resident who joined the U.S. armed forces or the Indiana National Guard after September 10, 2001 and received a Purple Heart to attend a state educational institution. The tuition and fee exemptions for Purple Heart recipients are not eligible for reimbursement by the state for the 2009 fiscal year.

The act clarifies that the amount per credit hour under a tuition and fee exemption is equal to the cost of an undergraduate credit hour for certain children of veterans, spouses and children of National Guard members, and Purple Heart recipients.

Additionally, the act requires the Legislative Council to assign a study committee with the study of tuition and fee exemptions awarded by state educational institutions under reciprocity agreements with other postsecondary institutions. (CCR#1, RC #349, 47-0)

#### **HEA 1271 INMATE CREDIT TIME**

**Author(s): STEMLER, BOSMA**

**Sponsor(s): SIPES, STEELE**

**Citations Affected: IC 35-50-6-3.3**

HEA 1271 prohibits an offender from earning credit time for a GED diploma if the offender has previously obtained a high school diploma. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)* (3<sup>rd</sup> Rdg., RC #227, 47-0)



## **ELECTION REFORM**

### **HEA 1071 FUNDING FOR NEW VOTING SYSTEMS**

**Author(s): GRUBB, THOMPSON**

**Sponsor(s): LAWSON, SKINNER**

**Citations Affected: IC 3-11-6.5-4**

HEA 1071 contains a few provisions in election law primarily to ensure that counties which purchased nonfunctional voting machines will continue to be able to hold elections. The Act provides for the reimbursement of Boone, Cass, Parke and Randolph counties for new voting systems that are compliant with the federal Help America Vote Act (HAVA). These counties purchased voting machine systems with HAVA funds from a company that is no longer in business and cannot provide technical support for the continued use of these machines. The Act requires the Secretary of State to petition the federal Election Assistance Commission for authority to use existing HAVA funds for the above counties, and to direct any new funds received to these counties. The Act appropriates \$125,200 from the state general fund to match any new HAVA funds received from the federal government.

The Act also extends the pilot program for ‘vote centers’ through the end of 2010. This existing program allows voters in Tippecanoe and Wayne Counties to cast their ballots in centralized locations. The pilot was scheduled to end in 2009. The Act allows the Secretary of State to designate by April 1, 2008, an additional vote center pilot county. Cass County, one of the counties above with nonfunctional voting machines, seeks to be granted this pilot program. (CCR #1, RC # 356, 47-0)

### **SEA 281 CONVICTIONS AND ELECTIONS**

**Author(s): MRVAN, BRAY**

**Sponsor(s): LAWSON, FOLEY**

**Citations Affected: IC 3-8-1-5; IC 5-8-1; IC 36-4.5-9**

SEA 281 clarified the circumstances in which an elected official or candidate would be disqualified based on a criminal conviction. (*For more information on this Act, please refer to the section on Criminal and Civil Law.*)

Additional bills pertaining to election law were discussed throughout session, but legislators failed to reconcile differences during conference committee. House and Senate Republicans wished to advance Secretary of State Rokita’s program of vote centers to a wider area. Currently there are two vote center pilots; legislation was discussed in the 2008 session to make this program permanent and to expand it to other interested counties. House and Senate Democrats supported this program, but were interested in its expansion only with the approval of more easily accessible absentee voting procedures. (3<sup>rd</sup> reading: RC #153: 48-0)

## **ENVIRONMENT & NATURAL RESOURCES**

### **SEA 41 PUBLIC FRESH WATER LAKES**

**Author(s): R. MEEKS**

**Sponsor(s): DEMBOWSKI, DODGE**

**Citations Affected: IC 14-8-2; IC 14-26-2**

SEA 41 defines "acquiescence" and "lake" for purposes of certain lake preservation laws and establishes evidence that indicates the acquiescence of a riparian owner to allow the public use of a lake. The Act requires the Indiana Department of Natural Resources (DNR) to prepare a list of public freshwater lakes. It also allows the owners of a body of water to petition to have the body of water declared a public freshwater lake. (3<sup>rd</sup> reading, RC 12, 47-0)

### **SEA 43 ENVIRONMENTAL MANAGEMENT (IDEM)**

**Author(s): GARD, RIEGSECKER**

**Sponsor(s): DVORAK, WOLKINS**

**Citations Affected: IC 8-1.5-5-7; IC 13-11-2-250; IC 13-14-9.5-4; IC 13-20-22-2; IC 36-9-23**

SEA 43 makes several changes regarding environmental matters:

- Requires the Indiana Department of Environmental Management (IDEM) or the appropriate rulemaking board to publish a notice identifying which of the rules subject to automatic expiration will be readopted. It requires IDEM or the board, on request of a person, to consider readoption of an environmental rule that IDEM or board proposes to allow to expire.
- Provides that a joint solid waste management district has the power to pay a fee to a county that was part of the joint district, has withdrawn from the district as of January 1, 2008 and has established its own district in which a final disposal facility is located.
- Establishes procedures to prevent a county department of storm water management and a municipal works board from imposing fees in the same area for storm water management.
- Establishes the qualifications for mediators. This Act provides that a person must be qualified as a mediator under Indiana Supreme Court Rules to serve as a mediator in an administrative proceeding unless the parties and the administrative law judge agree to a mediator who is not qualified as such.
- Eliminates the requirement for IDEM to include a laboratory division.
- Provides that for a landfill that is not exempt from demonstration of need requirements in a county that does not zone, an applicant that has an application pending on April 1, 2008, for an original permit for construction or operation and that meets certain other conditions must submit a new permit application and meet the requirements of all applicable environmental laws existing at the time the new permit is sought. The applicant is not required to pay a new application fee, and

the county executive must approve the proposed facility location for an application for an original construction permit submitted to the IDEM after March 31, 2008. In a county that zones, a person holding a permit for construction of a landfill that has not accepted waste and for which zoning was approved before April 1, 1985, may begin or complete construction only if the zoning authority reviews and approves the appropriateness and legality of the zoning under current law.

- Eliminates the requirement for certain water and wastewater operators to display certificates.
- Provides that a wastewater management vehicle must have an identification number issued by IDEM instead of a license. IDEM may issue a wastewater management permit that incorporates issuance of a wastewater management vehicle identification number and approval of a land application site under the legislation.
- Eliminates the requirement for an applicant for certain waste permits to include their Social Security number in the application disclosure statement. It allows IDEM to require additional information in the application.
- States the purposes of the mercury switch removal program. It also requires IDEM to pay recyclers for removed anti-lock braking system, G-force sensors and other components containing more than 10 milligrams of mercury and provides that the mercury switch removal requirement does not apply if the removal would require dismantling of the vehicle.
- Allows IDEM to use funds in the Underground Petroleum Storage Tank Excess Liability Trust Fund for the inspection of underground storage tanks. The Act also limits the combined amount of payments from the fund in a year for tank inspection and administration of claims against the fund to 10 percent of the fund income in the immediately preceding year.
- Establishes standards for electronic submission of information to IDEM.
- Repeals environmental crimes statutes, and substitutes a statute that designates environmental violations as crimes, establishes more severe penalties if the violation results in substantial harm to the environment or loss of human life, establishes factors to be considered in sentencing, establishes maximum and minimum fines and provides that the crimes are not subject to imprisonment. The Act reduces from a Class D felony to a Class B misdemeanor the penalty for offenses concerning destruction, alteration, concealment, or false certification of a record, falsifying testing or monitoring data and rendering a recording device or a monitoring device inaccurate or inoperative. These criminal penalties apply regardless of whether a person uses electronic submissions or paper documents to accomplish the criminal actions.
- Extends the Environmental Crimes Task Force for one year.

(Conference Committee Report 1, RC 365, 47-0)

**SEA 45 GREAT LAKES COMPACT**

**Author(s): GARD, TALLIAN, CHARBONNEAU, LANANE**

**Sponsor(s): PELATH, DVORAK**

**Citations Affected: IC 14-8—2; IC 14-25; IC 34-30-2.56-5**

SEA 45 implements the Great Lakes Compact. The Compact is an interstate agreement with the states that border the Great Lakes (Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, Wisconsin, and the Canadian provinces of Ontario and Quebec). All of the eight states must pass the legislation for the compact to be enacted. Indiana and the seven other states are already members of the Great Lakes Commission, a public agency established by the compact to coordinate and promote lake protection efforts. (3<sup>rd</sup> reading, RC 13, 47-0)

**SEA 46 ENVIRONMENTAL MANAGEMENT  
RESTRICTIVE COVENANT**

**Author(s): GARD**

**Sponsor(s): DVORAK, WOLKINS**

**Citations Affected: IC 13-11-2-193.5; IC 32-20-3-2**

SEA 46 provides that marketable record title to real property is subject to all interests of the Indiana Department of Environmental Management arising from the recording of a restrictive covenant under the environmental laws. (3<sup>rd</sup> reading, RC 42, 48-0)

**SEA 88 LAKE MANAGEMENT WORK GROUP**

**Author(s): R. MEEKS**

**Sponsor(s): DEMBOWSKI**

**Citations Affected: Non code**

SEA 88 changes the expiration date for the Lake Management Work Group from July 1, 2008, to July 1, 2010 and allows the work group to hold four meetings per year. (3<sup>rd</sup> reading, RC 14, 46-0)

**SEA 134 ENVIRONMENTAL/NATURAL RESOURCES PROCEEDINGS**

**Author(s): MEEKS, LANANE**

**Sponsor(s): L. LAWSON, BISHOFF**

**Citations Affected: IC 4-21.5-7; IC 14-10-2; IC 14-34-2-2**

SEA 134 allows a party to seek to consolidate multiple proceedings that are subject to the jurisdiction of both the Indiana Office of Environmental Adjudication (OEA) and the Indiana Natural Resources Commission (NRC) Division of Hearings. The Act requires a panel that includes an environmental law judge and an administrative law judge to hear consolidated proceedings. (3<sup>rd</sup> reading, RC 64 Yeas 48-0)

**SEA 360 E 85 FUELING STATION GRANT**

**Author(s): HERSHMAN, MISHLER, KRUSE**

**Sponsor(s): GRUBB, FRIEND**  
**Citations Affected: IC 155-9-5-8**

SEA 360 allows only one E85 fueling station grant to be made per fueling station location and that the amount of a grant may not exceed the lesser of the amount of the qualified investment or \$20,000. The amount of a grant may be less than the amount of the qualified investment and makes local units of government eligible to receive E85 fueling station grants for qualified investment in E85 fueling stations. (Concurrence, RC 308, 45-1)

**HEA 1046 APPRENTICE HUNTING LICENSE**  
**Author(s): BISHOFF, LEONARD**  
**Sponsor(s): JACKMAN, R. YOUNG**  
**Citations Affected: IC 14-22**

HEA 1046 creates an apprentice hunting license program that allows an individual to hunt when accompanied by a hunter who is at least 18 years of age. An apprentice hunter will not be required to take the hunter education course and may not obtain more than three apprentice licenses in the individual's lifetime. This Act was prepared by the Natural Resources Study Committee with the purpose of recruiting new hunters, both in youth and adults. (3rd reading: RC 201: 40-6)

**HEA 1120 PROHIBIT PHOSPHORUS DETERGENTS**  
**Author(s): DEMBOWSKI**  
**Sponsor(s): R. MEEKS**  
**Citations Affected: IC 13-18-9-1**

HEA 1120 will prohibit phosphorus in dishwater detergents, reducing pollutants that cause dangerous algae in Indiana's rivers and lakes. Phosphates are a risk because they release hepatoxins, which attack the liver, and neurotoxins, which attack the nervous system. Research has shown that phosphorus in water causes algal blooms and excessive aquatic plant growth, which increase water treatment costs, degrade fishing and boating activities, and impact tourism and property values. The pollution can also impact water quality by affecting the odor and taste of drinking water. (3<sup>rd</sup> reading, RC 210, 46-0)

**HEA 1121 NATURAL RESOURCE MATTERS**  
**Author(s): BISHOFF, LEONARD**  
**Sponsor(s): JACKMAN, R. YOUNG**  
**Citations Affected: IC 14-20-1-16; IC 14-22**

HEA 1121 makes several changes regarding Indiana Department of Natural Resources matters.

- Changes the membership of the Board of Trustees for the Division of State Museums and Historic Sites.
- Removes the Hungarian partridge from the list of game birds that may be hunted after obtaining a game bird habitat restoration stamp.
- Allows rifles to be used with certain yearly deer hunting licenses.
- Removes the condition that a fall turkey hunting season must be established before a license to take an extra turkey is issued.
- Allows the DNR to issue a duplicate license to any person who has lost a license.
- Provides that DNR may contract with the State Museum foundation or a similar organization interested in promoting the state museum for administration of the state museum, the museum development fund, and the historic sites.
- Creates Sportsmen's Benevolence Account within the revolving fund for the Fish and Wildlife Division to be used to encourage citizen participation in feeding the state's hungry through donations of lawfully hunted wild game.

(3<sup>rd</sup> reading RC 211, 46-0)

#### **HEA 1185 INDOOR AIR QUALITY**

**Author(s): L. LAWSON**

**Sponsor(s): JACKMAN, GARD**

**Citations Affected: IC 5-22-15; IC 16-41-37.5**

HEA 1185 expands the program providing for indoor air quality inspections in schools to include state agencies, and specifies that the program does not apply to colleges and universities. The Act also specifies certain qualifications for persons conducting indoor air quality inspection programs. A representative from the Indiana Department of Administration shall serve on the Air Quality Panel and also provides a 10% procurement price preference to Indiana businesses that offer to conduct indoor air quality inspection and evaluation programs. (3<sup>rd</sup> reading, RC 268, 46-1)

#### **HEA 1280 ENERGY AND ENVIRONMENTAL DESIGN RATINGS**

**Author(s): PIERCE, ALTMAN**

**Sponsor(s): HERSHMAN, BREAU**

**Citations Affected: IC 4-13.6-2-13; IC 5-16-1-9; IC 5-22-15-26;  
IC 21-34-3-8; IC 36-1-12**

HEA 1280 requires Indiana's Environmental Quality Service Council to study whether public entities should be required or encouraged to achieve energy and environmental design ratings in the construction and renovation of buildings and structures. The council will look at achieving standards set by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system or an equivalent system. Studies indicate that high performance building standards reduce energy and water consumption, improve indoor air quality and promote the use of sustainable building materials. (3<sup>rd</sup> reading, RC 279, 46-1)

## **FAMILIES & CHILDREN**

### **HEA 1290 FOSTER CARE – DEPARTMENT OF CHILD SERVICES (DCS)**

**Author(s):** AVERY, BUELL

**Sponsor(s):** LAWSON, BECKER, SIPES, TALLIAN

**Citations Affected:** IC 12-13-5-13; IC 31-9-2; IC 31-27-4; IC 31-28-5

HEA 1290 provides that an individual who received foster care during the month before the individual became 18 years of age may request the Department of Child Services (DCS) to petition a court for the individual to receive older youth foster care until the individual reaches 21 years of age, if the individual is employed, attending a vocational program, attending an educational program, or planning on attending a vocational or educational program within six months of the individual's eighteenth birthday. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

### **HEA 1165 HOMELESSNESS, FOSTER CARE AND EDUCATION**

**Author(s):** AVERY, CHEATAM

**Sponsor(s):** BECKER, LAWSON, SIPES, DELPH

**Citations Affected:** IC 5-20-1-4; IC 20-27; IC 20-50; IC 21-12-6-9;  
IC 31-9-2; IC 31-28-5; IC 31-36-3

HEA 1165 addresses a number of important issues pertaining to juvenile well-being, including homelessness, foster care, and education. It is estimated that there are approximately 5,000 children across the state of Indiana who are experiencing homelessness at any given time. HEA 1165 requires the Indiana Housing Authority to take a number of measures to improve the delivery of services relating to homelessness, housing and community development, and extends the Authority's power to coordinate and establish connections between service providers.

The act requires the Department of Child Services (DCS) to promote sibling visitation for children in foster care, and siblings and other individuals to request sibling visitation if one sibling is in foster care. Under this act, DCS is required to allow sibling visitation if it is in the best interest of the child receiving foster care, and in the event that DCS denies a request for sibling visitation, a child's guardian ad litem or court appointed special advocate may petition the juvenile court for visitation. Children may receive shelter, services, or items directly related to providing shelter for homeless children without the approval of a parent, guardian, or custodian. Shelter care facilities are required to notify DCS within 24 hours of a child entering a shelter or facility, unless that individual is an emancipated minor, and DCS is required to notify the child's parent guardian, or custodian within 48 hours of receiving notification and 72 hours of entering the facility. DCS is prohibited from notifying these parties of the child's location if DCS has reason to believe the child is a victim of abuse or neglect. (CCR RC 325: 44-3)  
*(This Act contains more provisions related to education of homeless youth. For more information on those provisions, please refer to the section on Education.)*

**HEA 1159                    211 SERVICES**  
**Author(s):    WELCH, BORROR**  
**Sponsor(s):   MERRITT, BRODEN**  
**Citations Affected:   IC 6-2-5-5-41; IC 6-3.1-32**

HEA 1159 establishes a study committee for the purposes of examining several issues concerning human service information and referral services in Indiana. These include the availability and scope of human service information and referral services in Indiana, and methods to enhance their use, delivery and funding, as well as methods to promote increased collaboration between human service providers and referral providers. The act also specifies that for the purposes of the study, the study committee may consult with the Indiana Utility Regulation Commission, any nonprofit organization, recognized 211 service provider, state entity that provides human services, or other person that the committee determines will be of assistance in studying these issues. The study committee must submit a report on its recommendations to the legislative council before December 1, 2008. 211 Services refers to Indiana's nonprofit network for human social service referrals, which has been supported since July 1, 2004 in Indiana law. In 2007, there were over 275,000 calls made to 211 in Indiana. (Third Reading RC 216: 46-0)

**SEA 164        HUMAN SERVICE MATTERS**  
**Author(s):    MILLER, SIPES**  
**Sponsor(s):   C. BROWN, T. BROWN**  
**Citations Affected:   IC 12-7-2-134; IC 12-15-13-0.4**

SEA 164 specifies that the Office of Medicaid Policy and Planning (OMPP); managed care organizations that have contracted with the OMPP under the state's Medicaid program; and individuals that have contracted with the managed care organization, must meet certain requirements concerning payment and denial of claims. SEA 164 requires the OMPP to reimburse federally qualified health centers (FQHCs) and rural health clinics using a prospective payment methodology if federal financial participation is available for the methodology. FQHCs are a type of provider defined by the Medicare and Medicaid statutes, and include all organizations receiving grants under Section 330 of the Public Health Service Act, certain tribal organizations, and FQHC Look-Alikes (an organization that meets all of the eligibility requirements of an organization that receives a PHS Section 330 grant, but does not receive grant funding.) Section 330 of the Public Health Service Act defines federal grant funding opportunities for organizations to provide care to underserved populations. This act also allows certain individuals to participate in the Indiana Check-up Plan without state funding.

SEA 164 also specifies that eligibility for the Children's Health Insurance Program (CHIP) is limited to a child whose family annual income is not more than 300% of the federal income poverty level or the maximum percentage approved by the federal government if the approved percentage is less than 300%. (CCR 1 RC 321: 44-0)



**SEA 227 SEXUAL ASSAULT STANDARDS AND  
CERTIFICATION BOARD**

**Author(s): BECKER, CHARBONNEAU, DELPH, SIPES**

**Sponsor(s): L. LAWSON, VANDENBURGH**

**Citations Affected: IC 4-23-25; IC 5-2-6-23; IC 33-37-7-2**

SEA 227 renames the "sexual assault standards and certification board" as the "sexual assault victims advocate standards and certification board" and moves control of the board to the Criminal Justice Institute from the Department of Workforce Development. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**GAMING**

**HEA 1153 GAMING**

**Author(s): TYLER, BELL, DERMODY**

**Sponsor(s): R. MEEKS, ARNOLD**

**Citations Affected: IC 4-32.2-1-1; IC 4-36; IC 6-2.5-5-43; IC 6-8.1-1-1;  
IC 35-45-5-12**

HEA 1153 specifies that type II gaming may be conducted by taverns that are issued a retailer's endorsement that is affixed to the tavern owner's alcoholic beverage permit. The act specifies that the Alcohol and Tobacco Commission administers type II gaming. It provides that the authorized sale of pull tabs, punchboards, and tip boards is exempt from the state gross retail tax. Ticket prices may not exceed \$1 with a maximum payout of \$599.

The act provides that fees and civil penalties must be deposited into the excise enforcement and administration fund. The act further provides that excise taxes must be deposited into the state general fund. It requires the Indiana Gaming Commission to adopt rules to establish the manner in which a qualified organization may supervise certain euchre games.

The act provides that a patron who deals the cards in a euchre game is not considered to be a worker or an operator for purposes of the charity gaming law.

The act requires a qualified organization to designate an individual to serve as the operator of a charity gaming event. It provides that a qualified organization holding an annual raffle license may conduct raffles at any time during a period of one year, and authorizes certain qualified organizations to conduct winner take all drawings under a PPT license with a maximum payout of \$300.

In addition, the act specifies that certain slot machine revenues paid to horsemen's associations may not be used for political contributions or lobbying. (3<sup>rd</sup> Rdg., RC #265, 26-21)

**SEA 227 DOMESTIC VIOLENCE ISSUES AND INVASION OF PRIVACY**

**Author(s): BECKER, CHARBONNEAU, DELPH, SIPES**

**Sponsor(s): L. LAWSON, VANDENBURGH**

**Citations Affected: IC 4-23-25; IC 33-37-7-2; IC 5-2-6-23**

SEA 227 deals with domestic violence issues and invasion of privacy. One provision makes certain information obtained as part of an application for certain gaming licenses confidential. *(For more information on this Act as it pertains to domestic violence, please refer to the section on Families & Children.)* (CCR RC 334: 45-0)

**SEA 197 MINORITY AND WOMEN'S BUSINESS**

**Author(s): FORD, KRUSE, MISHLER, SMITH**

**Sponsor(s): BARTLETT, LEONARD, MAYS**

**Citations Affected: IC 4-13-16.5; IC 4-35-11**

SEA 197 as it pertains to gaming, the act amends the horse racing commission law to remove the commission's authority to establish and administer a unified certification procedure, and requires the commission to use the certifications of minority and women's business enterprises made by the Department of Administration. *(For more information on this Act, please refer to the section on Economic Development.)* (Concurrence, RC #309, 46-0)

## **HEALTH**

**SEA 28 FIRE SAFE CIGARETTES**

**Author(s): DROZDA, BECKER, SIMPSON**

**Sponsor(s): C. BROWN, T. BROWN**

**Citations Affected: IC 22-14-7**

SEA 28 establishes reduced ignition propensity standards for cigarettes. The act authorizes the State Fire Marshal, the department of State revenue and the Alcohol and tobacco commission to monitor and enforce the standards. The act further provides for certification fees and penalties. Finally, the act establishes the reduced Ignition Propensity Standards for Cigarettes fund and the Fire Prevention and Public Safety Fund. (Concurrence, RC #323, 44-2)

**SEA 42 HUMAN SERVICES**

**Author(s): MILLER, SIPES**

**Sponsor(s): C. BROWN, T. BROWN**

**Citations Affected: IC 2-5-26**

SEA 42 adds the determination of whether a managed care organization contracted with the state to provide Medicaid services has performed the terms of the contract. It also

extends the expiration dates of various divisions within the Family and Social Services Administration office, and makes Medicaid policy and planning legalized and validated to the same extent that the actions would have been legal and valid if they had been taken before January 1, 2008.

SEA 42 also requires certain managed care organizations participating in the Medicaid program to be accredited by the National Committee for Quality Assurance within certain timeframes and accept electronic claims for payment. It also repeals a provision that provided for the expiration of the Select Joint Commission on Medicaid Oversight on December 31, 2008. (CCR 1 RC 319: 43-0)

**SEA 143 CHILDHOOD LEAD POISONING PREVENTION**

**Author(s): GARD, MILLER, BRODEN, ROGERS**

**Sponsor(s): C. BROWN, DAY**

**Citations Affected: IC 13-2-3-9; IC 16-41-39.4; IC 16-18-2; IC 34-30-2-83.4**

SEA 143 specifies certain requirements for laboratories, the State Department of Health, local health departments, and retail establishments related to childhood lead poisoning prevention, and provides for certain actions by the State Department of Health for noncompliance with certain provisions. The act also establishes the childhood lead poisoning prevention fund for outreach and prevention activities as well as a lead-safe housing advisory council to make recommendations related to lead poisoning prevention. SEA 143 requires an interim study of issues concerning the testing of childcare facilities built before 1978 for lead risks and the blood lead testing of children served in regulated child care. SEA 0143 also makes conforming and technical amendments. (CCR RC 344: 47-0)

**SEA 153 EXTENDS DENTIST INSTRUCTOR'S LICENSE**

**Author(s): MILLER, SIPES**

**Sponsor(s): C. BROWN**

**Citations Affected: IC 25-14-1—27.5**

SEA 153 extends the authority of the state board of dentistry to issue a dentist instructor's license for individuals not otherwise licensed to practice dentistry in Indiana until June 30, 2013. (Under current law, the authority expires June 30, 2008.)

Third reading RC 17: 46-0

**SEA 156 COMMUNICABLE DISEASES**

**Author(s): MILLER, SIPES**

**Sponsor(s): C. BROWN**

**Citations Affected: IC 4-22-2-37.1; IC 16-41-2-1**

**SEA 156** specifies that the State Department of Health may adopt emergency rules concerning communicable diseases.

Third reading RC20: 46-0

**SEA 157 OPIOID TREATMENT**

**Author(s): MILLER, SIPES**

**Sponsor(s): C. BROWN**

**Citations Affected: IC 12-7-2-135.6; IC 12-23; IC 16-18-264.3; IC 16-25-5**

SEA 157 changes the term “methadone treatment” to “opioid treatment” for the purposes of laws concerning the certification of opiate addiction treatment facilities, and requires the Division of Mental Health and Addiction (DMHA) to adopt rules on standards of operation for opioid treatment programs; submission by opioid treatment facilities of current diversion control plans; and the fees paid by opioid treatment facilities to DMHA for each opioid treatment patient treated during the preceding calendar year.

It also requires opioid treatment programs to perform random and periodic drug tests on patients for the following drugs: methadone, cocaine, opiates, amphetamines, barbiturates, tetrahydrocannabinol, and benzodiazepines; and to take action if a patient tests positive for an illegal drug other than the drug being used in the course of the patient’s treatment.

The act also requires DMHA to create a central registry for opioid treatment patients and prepare a biennial report, and specifies rules and penalties. It also repeals the expiration of current laws requiring a methadone diversion control and oversight program. Indiana currently provides public funds to not-for-profit opioid treatment programs only, with funds from the federal Substance Abuse Prevention and Treatment block grants for patients with income limitations. This reduces out-of-pocket expenses to these patients and allows clinics to charge lower-income patients on a sliding scale.

(Third reading RC 121: 48-0)

**SEA 159 THIRD PARTY ACCESS TO HEALTH CARE SERVICES**

**Author(s): GARD**

**Sponsor(s): HOY, T. BROWN**

**Citations Affected: IC 27-4-1-4; IC 27-1-37.3**

SEA 159 pertains to ‘rental’ or ‘silent’ Preferred Provider Organizations (PPOs). The Act specifies terms under which a third party may obtain access to a contractor's rights and responsibilities related to a provider's delivery of health care services.

The interim Health Finance Committee heard testimony on this issue, which health care providers argued unfairly perpetuates the lowest reimbursement rate among insurers. A physician explained that when physicians contract to join a health plan network, the physicians usually agree to accept a reduced payment rate in return for the plan steering patients into the physician’s practice. However, a “silent PPO” is when a contracting

network, after negotiating discounts with providers, then sells access to the list of agreed discounts to other insurers who then, without the provider's authorization or knowledge, apply the discounts to their own payments to the provider. The practice effectively robs the physician providers of the ability to choose with whom they contract for a discount. The American Medical Association estimates costs to providers nationwide in the amount of \$750 million to \$3 billion annually. The Indiana State Medical Association stated that doctors need to be notified when the practice is occurring, and the physicians need to be allowed to provide their consent. The measure met opposition from America's Health Insurance Plans, who maintain that the unintended consequence of this Act is that it forces smaller PPOs out of the market due to the difficulty in complying, leaving only one or two major insurers. (Concurrence, RC 293: 43-0)

**SEA 219 LACTATION SUPPORT IN THE WORKPLACE**

**Author(s): KRUSE, SIMPSON**

**Sponsor(s): WELCH, COUCH**

**Citations Affected: IC 4-1-2-1; IC 5-10-6-2; IC 20-33-3-30; IC 22-2-14; IC 34-30-2-11.2**

SEA 219 provides lactation support in the workplace for nursing mothers. (*For further information on this Act, please refer to the section on Pensions & Labor.*)

**SEA 249 EMERGENCY MEDICAL SERVICES COMMISSION**

**Author(s): BRODEN, WYSS**

**Sponsor(s): C. BROWN, T. BROWN**

**Citations Affected: IC 16-31-2-7**

SEA 249 requires the Emergency Medical Services Commission to adopt rules concerning the triage and transportation protocols for the transportation of trauma patients. (Third reading RC 83: 48-0)

**SEA 315 AGING AND LONG TERM CARE SERVICES**

**Author(s): DILLON, DEIG, HUME, MRVAN**

**Sponsor(s): HOY, COUCH**

**Citations Affected: IC 12-9.1-4-4; IC 12-10; IC 12-11-2.1-6**

SEA 315 would delay until December 31, 2008, a provision in existing law that would allow the Office of Medicaid Policy and Planning to require a Medicaid-eligible person being discharged from a hospital to a nursing facility to have prior approval from OMPP before being admitted to the nursing facility after June 30, 2008. The prior authorization provision was enacted in SEA 208-2007 and was expected to result in cost savings as a result of increasing the number of diversions from avoidable nursing home admissions. The Act requires the Division of Aging to promulgate rules to implement a prior authorization program for certain individuals seeking admission to a nursing facility and

a long-term care screening and counseling program for individuals seeking long-term care services.

The Act also requires the Division of Aging to adopt rules to implement a biennial review of Medicaid waiver services reimbursement rates.

The Act specifies that individuals that have made asset transfers prohibited under the State Medicaid Plan in order to be eligible for Medicaid are not eligible for the 100% state-funded residential care assistance program, CHOICE.

The Act prohibits the State Department of Health from approving the certification of new or converted comprehensive care beds for participation in the Medicaid program until July 1, 2011, unless the state comprehensive care bed occupancy rate is more than 95% in health facilities. Current occupancy is at 83% according to FSSA. The Act allows for an exception for replacement beds and continuing care retirement communities under development if specified requirements are met. (CCR# 1: RC 342: 43-4)

#### **SEA 336 SMOKE PREVENTION TASK FORCE**

**Author(s): CHARBONNEAU, MILLER, ROGERS, SIMPSON**

**Sponsor(s): C. BROWN, T. BROWN, E. HARRIS**

**Citations Affected: IC 16-41-41**

SEA 336 adds three members to the Stroke Prevention Task Force, which was established in 2004 through HEA 1171. SEA 336 adds the requirement that one of the physician members must be a physician with cerebrovascular accident expertise, instead of a neuroradiologist. It also redefines the duties of the task force to the following:

- Develop a standardized stroke template checklist for emergency medical services protocols to be used statewide.
- Develop a thrombolytic checklist for emergency medical services personnel to use.
- Develop standardized dispatcher training modules.
- Develop a yearly training update and continuing education unit for first responders that includes the Cincinnati Stroke Scale.
- Develop an integrated curriculum for providers, including: emergency medical services personnel; hospitals; first responders; physicians; and emergency room staff
- Develop a standard template of protocols that include thrombolytic treatment.
- Create a more refined and specific hospital survey stroke assessment tool to assess the capability of hospitals in treating patients who have had strokes.
- Research the feasibility of a state based primary stroke center certification program.
- Develop a stroke survivor mentor program targeting survivors after rehabilitation is complete.

- Distribute the rehabilitation survey developed by the Great Lakes Stroke Network throughout Indiana to freestanding rehabilitation hospitals.
- Implement a statewide patient and community education initiative targeting at-risk populations in Indiana.
- Investigate the use of telemedicine in Indiana for the treatment of neurologic and radiologic stroke patients.

The act also extends the expiration date for the task force from July 1, 2008, to July 1, 2012. (Concurrence, RC 297: 43-0)

#### **SEA 350 FUNDING OF COMMUNITY MENTAL HEALTH CENTERS**

**Author(s): LAWSON, BRODEN, MILLER, SIMPSON**

**Sponsor(s): CRAWFORD, T. BROWN, NOE**

**Citations Affected: IC 12-15; IC 12-29-2**

SEA 350 pertains to the funding of Community Mental Health Centers (CMHCs). Currently, CMHCs provide the state match required for Medicaid Reimbursement Option (MRO) services. When an MRO service is billed, the CMHCs receive the full value of the service in payment. The state's Department of Mental Health and Addiction bills the centers for the state match portion quarterly. DMHA holds some funding it provides to CMHCs for the matching requirement, and the CMHCs provide any additional funding to the state for any amount not covered by these withholdings. All funding withheld and received to pay for the matching requirement is transferred to Medicaid. CMHCs are required to certify they have the matching funds available for the MHFR program. This match money is currently not transferred between DMHA and the CMHC. Only the federal portion of the MHFR (Mental Health Funds Recovery) program funds are paid to CMHCs.

With the exception of Marion County, SEA 350 requires counties to transfer money within a certain time frame to the DMHA, in order to satisfy the non-federal share of medical assistance payments to community mental health centers for certain administrative services and community mental health rehabilitation services.

It also permits the Health and Hospital Corporation of Marion County to make payments to DMHA for the operation of a CMHC; requires DMHA to ensure that the non-federal share of funding received from a county is applied only to the county's designated CMHC; and specifies how DMHA may distribute excess state funds.

The act also provides that county levies for CMH services are allocated to DMHA for operational expenses of CMHC, and the CMHC. The provisions of SEA 350 are applicable to the extent that they do not conflict with federal rules. (CCR 1 RC 336: 44-0)

#### **HEA 1171 AUTISM TRAINING FOR EMS PERSONNEL**

**Author(s): SUMMERS, BELL, NOE**

**Sponsor(s): CHARBONNEAU, SIPES, DILLON, ERRINGTON**  
**Citations Affected: IC 16-31-3-2**

HEA 1171 requires certified emergency medical services (EMS) personnel to successfully complete a course of education and training on autism. The Indiana Emergency Medical Services Commission (IEMSC) may require additional rules to establish course standards for Autism training, and any rule changes could be accomplished within a normally scheduled meeting of the Commission which, by law, must meet at least four times per year. Some 2000 EMS personnel across Indiana have already been trained for free across Indiana by the Indiana Resource Center for Autism. (Third reading RC 192: 47-0)

**HEA 1172 VARIOUS PROFESSIONS AND ACCEPTIONS**

**Author(s): WELCH, BROWN**

**Sponsor(s): MISHLER, BRODEN**

**Citations Affected: IC 16-18-2-204.5; IC 16-20-1-14; IC 16-22-8-34; IC 16-27-2; IC 16-28-11-5.5; IC 25-1-7; IC 25-2.5-3-3; IC 25-13-1; IC 25-14-1; IC 25-19-1-3; IC 25-20.5-1-1; IC 25-23-1; IC 25-23.3; IC 25-23.5-3-1.5; IC 25-23.6; IC 34-30-2-98.2.**

HEA 1172 addresses a number of health-related licensing issues. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**HEA 1266 PRIORITY IN RECEIVING SERVICES UNDER  
MEDICAID WAIVERS**

**Author(s): KLINKER, BROWN**

**Sponsor(s): RIEGSECKER, SIMPSON, ROGERS AND MILLER**

**Citations Affected: NON CODE**

HEA 1266 requires the Office of Medicaid Policy and Planning (OMPP) to apply to the United States Department of Health and Human Services to amend certain waivers to allow specified individuals to be given priority in receiving services under the waiver. It also requires OMPP to prioritize individuals in certain situations to receive home and community-based services within the Medicaid waivers operated by the Division of Disability and Rehabilitative Services.

Each year the Division of Disability and Rehabilitative Services (DDARS) reserves a specific number of priority Developmental Disability waiver slots that are available for use by individuals who may not be first on the waiting list, but are in emergency situations that require they receive services immediately. Priority situations included in the current waiver policy manual include death or long-term institutionalization of the primary caregiver, aging out of placements for juveniles, and loss of certain other placements. (Third reading RC 193: 47-0)



**HEA 1288 BEHAVIOR ANALYST****Author(s): SUMMERS, HINKLE****Sponsor(s): DILLON, SIPES****Citations Affected: IC 25-1-8-6; IC 25-41**

HEA 1288 makes it a Class B misdemeanor offense for an individual to profess to be a certified behavior analyst if that individual does not hold and maintain the certified behavior analyst credentials administered by the Behavior Analyst Certification Board, Inc. The BACB has established uniform content, standards, and criteria for the credentialing process that are designed to meet legal standards established through state, federal and case law; accepted standards for national certification programs; and "best practice" and ethical standards of the behavior analysis profession. (Third Reading RC 282: 47-0)

**HEA 1429 -'07 – VETO OVERRIDDEN****ATTORNEY FEES IN MEDICAID LIEN COLLECTION****Author(s): ULMER, KUZMAN****Sponsor(s): STEELE****Citations Affected: IC 12-15**

HEA 1429 increases the amount of attorney's fees required to be paid by the Office of Medicaid Policy and Planning in Medicaid lien collection cases involving the recovery from an insurer or a person who injured a Medicaid recipient. The act specifies that the increased attorney's fee provisions do not apply to certain liens placed on a Medicaid recipient's real property. The act authorizes the office of Medicaid policy and planning to contract with an attorney to obtain or enforce certain liens placed on a Medicaid recipient's real property and caps attorney's fees in these cases. (SRC #367, 28-19)

In the governor's '07 veto message he stated, "The bill would increase fees paid to attorneys in cases where Medicaid liens are recovered. It mandates a three-fold increase in the lawyers' share of recoveries in certain personal injury cases where a Medicaid lien exists against any compensation a plaintiff might obtain, with no demonstrable prospect that total recoveries (to reimburse Medicaid) would increase as a result. The more likely outcome of higher attorney fees would be less money flowing back to taxpayers and the Indiana Patients Compensation Fund.

**HOMELAND SECURITY & VETERAN ISSUES****SEA 241 DEPARTMENT OF HOMELAND SECURITY****Author(s): ARNOLD, WYSS****Sponsor(s): TINCHER, DERMODY****Citations Affected: IC 6-6-10-7; IC 10-14-4; IC 10-15-3-12**

SEA 241 provides that revenue in the emergency planning and right to know fund may be used to maintain, repair, and calibrate equipment purchased for a hazardous materials response team. The act specifies the purposes for which money in the state disaster relief fund may be spent. The act deletes existing law providing that interest accruing from investments in the state disaster relief fund is deposited into that fund.

The act provides that money in the regional public safety training fund that remains unencumbered at the end of a state fiscal year shall be transferred to the fire training infrastructure fund. (Current law provides that money in the regional public safety training fund that is not appropriated to the fund is transferred to the fire training infrastructure fund.)

The act permits the Department of Homeland Security to adopt emergency rules to implement changes to the state disaster relief fund. Finally, the act provides that an amusement and entertainment permit issued by the Division of Fire and Building Safety to a school expires one year after the date the permit is issued, rather than on December 31 of the year in which the permit is issued. (Concurrence, RC #294, 43-0)

**SEA 334 SEVERE WEATHER WARNING SIRENS**

**Author(s): WALTZ, LAWSON**

**Sponsor(s): AVERY, CROUCH**

**Citations Affected: IC 36-8-21.5**

SEA 334 requires the Department of Homeland Security to adopt rules before January 1, 2010 to establish: minimum technical standards for severe weather warning sirens; the circumstances under which a severe weather warning siren (siren) may be activated; information required in a siren coverage report or siren coverage plan; and other rules necessary to assess coverage of sirens in Indiana and determine the need for additional sirens.

The act requires the department, at the request of a county legislative body, to assist the county in development of a siren coverage plan. The act permits the department to require a county that requests assistance in development of a siren coverage plan to develop a siren coverage report. It specifies the content of a siren coverage report and a siren coverage plan. It requires the department to assist a county that adopts a siren coverage plan to implementation of the plan and obtain federal and other grants to enable the county in implementation of the plan. Finally, the act requires the department to adopt certain rules not later than January 1, 2010. (Concurrence, RC #317, 43-1)

**HEA 1067 PROTOCOL FOR US FLAG FOR INDIANA SOLDIERS**

**Author(s): HERRELL, SOLIDAY**

**Sponsor(s): MERRITT, WEATHERWAX, BRODEN**

**Citations Affected: IC 10-18-9**

HEA 1067 requires the governor to issue a proclamation, not more than 24 hours after receiving notice that an Indiana resident who is a member of the U.S. armed forces or the Indiana National Guard has died in action or as a result of wounds received in action, ordering that the United States flag be flown at half-staff on state property on the day of the member's funeral or memorial service. (3<sup>rd</sup> Rdg., RC #204, 45-0)

**HEA 1249 TUITION AND FEE EXEMPTIONS FOR  
PURPLE HEART RECEIPIENTS**

**Author(s): KLINKER, COUCH, GOODIN**  
**Sponsor(s): WYSS, ALTING, TALLIAN, PAUL**  
**Citations Affected: IC 21-14-10**

HEA 1249 waives tuition and fees for an Indiana resident who joined the U.S. armed forces or the Indiana National Guard after September 10, 2001 and received a Purple Heart to attend a state educational institution. The tuition and fee exemptions for Purple Heart recipients are not eligible for reimbursement by the state for the 2009 fiscal year.

The act clarifies that the amount per credit hour under a tuition and fee exemption is equal to the cost of an undergraduate credit hour for certain children of veterans, spouses and children of National Guard members, and Purple Heart recipients. *(For more information regarding a study of tuition and fee exemptions included in this act, please refer to the section on Education.)* (CCR#1, RC #349, 47-0)

## **INSURANCE**

**HEA 1036 UNINSURED MOTORISTS**

**Author(s): ULMER, FRY, RIPLEY**  
**Sponsor(s): STEELE, PAUL**  
**Citations Affected: IC 9-13-2-110; IC 9-19-1-5.5; IC 9-21-0.5; IC 9-25-4-7;  
IC 9-26-2; IC 9-30-3**

HEA 1036 requires the Bureau of Motor Vehicles to establish, by January 1, 2010, a registry of previously uninsured motorists for the purpose of random, periodic verification by the Bureau of Financial Responsibility Compliance. (For more information, please refer to the section on Transportation).

**HEA 1140 COVERAGE FOR PROSTHETIC DEVICES**

**Author(s): MURPHY, FRY**  
**Sponsor(s): DILLON, SIMPSON, MILLER**  
**Citations Affected: IC 5-10-8-14; IC 27-8-24.2; IC 27-13-7-19**

HEA 1140, similar to SB 269, addresses insurance coverage for medically necessary prosthetic devices under state employee health benefit plans, accident and sickness insurance, and HMO contracts. Insurance coverage for prosthetic devices is typically limited by dollar caps, as well as the number of devices covered over the course of an individual's lifetime. HEA 1140 provides that under these plans, coverage for medically necessary prosthetic devices must be equal to that of the federal Medicare reimbursement schedule for the same items, unless a different reimbursement rate is negotiated. An important difference between HEA 1140 and SB 269 is that HEA 1140 establishes coverage parity for medically necessary prosthetic devices, with other forms of coverage under the individual's plan. Coverage may be subject to but no more restrictive than the provisions that apply to the other benefits of the individual's accident and sickness policy. Repair and replacement of these devices must be performed by an orthotist, prosthetist, or pedorthist certified the American Board for Certification in Orthotics, Prosthetics and Pedorthics, or the Board for Orthotist or Prosthetist Certification. (CCR RC 358: 44-3)

#### **HEA 1284 INSURANCE**

**Author(s): FRY, RIPLEY**

**Sponsor(s): PAUL**

**Citations Affected: IC 27-1-5-5**

HEA 1284 exempts a request of the Commissioner of Insurance for certain information from the requirement to issue an examination warrant, and permits a group life insurance policy to cover a spouse or dependent child for more than 50% of the amount provided for the insured. It also revises the accident and sickness insurance form filing requirements concerning the commissioner's actions; and prohibits an accident and sickness insurer and a health maintenance organization from requiring a patient to travel a certain distance for dialysis treatment as a condition of coverage or reimbursement. HEA 1284 also establishes a study committee on dialysis coverage.

Under the law prior to HEA 1284, the Health Benefit Tax Credit may be claimed against a taxpayer's state tax liability if the taxpayer makes health insurance available to the eligible taxpayer's employees and their dependents through at least one health benefit plan. The credit may be claimed for two years only if an employee's participation in the health benefit plan is at the employee's election; and an employee chooses to participate in the health benefit plan, then they may pay their share of the cost of the plan using a wage assignment. The credit is equal to the lesser of \$2,500 or \$50 multiplied by the number of employees enrolled in the health benefit plan during the taxable year. (CCR RC 362: 46-1)

#### **HEA 1379 STRANGER ORIGINATEDLIFE INSURANCE**

**Author(s): RIPLEY, FRY**

**Sponsor(s): CHARBONNEAU, PAUL, SIMPSON, SMITH**

**Citations Affected:** IC 27-4-1-4; IC 27-18; IC 34-30-2-119.8; IC 35-43-5-4.6

HEA 1379 defines "stranger originated life insurance" and prohibits an insurer from alleging stranger originated life insurance as a basis for denial of payment of life insurance policy proceeds; and the promotion of the purchase of a life insurance policy in connection with stranger originated life insurance. It also specifies that an insurer may seek to void a life insurance policy at any time for lack of insurable interest at the time the policy was issued. (CCR RC 350: 47-0)

## **LOCAL GOVERNMENT**

### **SEA 176 COURTHOUSE PRESERVATION ADVISORY COMMISSION**

**Author(s):** MERRITT, BRODEN, SIMPSON

**Sponsor(s):** BISHOFF, KOCH

**Citations Affected:** IC 14-8-2; IC 14-21

SEA 176 establishes the Courthouse Preservation Advisory Commission. The act requires the commission to provide assistance for courthouse related projects. It establishes the courthouse preservation fund, and requires the commission to submit a report to the Legislative Council. (Concurrence, RC# 314, 45-1)

### **HEA 1077 MEMORIAL DAY CELEBRATION EXPENSES**

**Author(s):** NIEGODSKI, HINKLE

**Sponsor(s):** BRODEN, WYSS

**Citations Affected:** IC 10-18-8-1

HEA 1077 removes the limit on the amount a township, city, town, or county may appropriate to certain veterans' organizations to aid in defraying Memorial Day celebration expenses. (3<sup>rd</sup> Reading, RC 202, 45-0)

### **HEA 1108 SHERIFF'S COMPENSATION**

**Author(s):** BUELL, NIEGODSKI, NOE POND

**Sponsor(s):** MERRITT

**Citations Affected:** IC 6-8.1-8-3; IC 36-2-13

HEA 1108 sets the maximum annual compensation for a county sheriff to the annual minimum salary that would be paid by the state to a full-time prosecuting attorney in the county and the amount of any additional annual salary paid by the county to a full-time prosecuting attorney in the county. This limit applies to a sheriff elected or reelected to office after November 1, 2010.

A sheriff is also required to deposit into the county's general fund any tax warrant collection fees that would, if retained by the sheriff, result in the sheriff's annual compensation exceeding the allowed amount. The money deposited in a county's general fund under this provision will be used to reduce any unfunded liability of a sheriff's pension trust plan established for the county's sheriff's department. Any amounts remaining after applying money to the unfunded liability must be applied to the costs of operating the county's sheriff's department. (3<sup>rd</sup> reading, RC 258 42-5)

**HEA 1111 REQUIREMENTS FOR RECORDING DOCUMENTS  
AND COPIES**

**Author(s): FOLEY, HARRIS, KLINKER**  
**Sponsor(s): LAWSON, BRODEN**  
**Citations Affected: IC 36-2-11-16**

HEA 1111 requires a County recorder to record a document or a copy if the document complies with other statutory recording requirements and the document or copy will produce a clear and unobstructed copy. The act specifies that a provision in current law, which states that a recorded mortgage not meeting certain statutory requirements constitutes constructive notice, applies regardless of when the mortgage was recorded. The act provides that a recorded copy has the same effect as if the original document had been recorded. It requires a copy of an instrument presented for recording to be marked as a copy in order for the recorder to receive the instrument for recording. (Conference Committee Report 1, RC 318, 43- 0)

**HEA 1114 RESIDENCY REQUIREMENTS OF CITY POLICE AND FIRE**

**Author(s): DEMBOWSKI, CANDELARIA-REARDON**  
**Sponsor(s): LAWSON, DEIG**  
**Citations Affected: IC 46-8**

HEA 1114 establishes general residency requirements for members of city police and fire departments, members of town police and fire departments and members of township fire departments. Volunteer fire departments or members who are volunteer firefighters are excluded from these requirements. (*For more information on this Act, please refer to the section on Criminal and Civil Law.*)

**HEA 1118 DEFINES GROCERY STORE**

**Author(s): VANHAAFTEN, BELL, COUCH**  
**Sponsor(s): REIGSECKER, BECKER**  
**Citations Affected: IC 7.1-1-3; IC 7.1-2; IC 7.1-3; IC 7.1-4-4.1-3; IC 7.1-5; IC 9-21-4-5; IC 34-30-2-19.5; IC 35-46-1-10.1**

HEA 1118 defines "grocery store" and has numerous provisions dealing with tobacco and alcohol sales. *(For further information on this Act, please refer to the section on Criminal & Civil Law.)*

#### **HEA 1162 LEGISLATIVE BODY YOUTH ADVISORS**

**Author(s): BELL, SMITH, STUTZMAN**

**Sponsor(s): LAWSON, SIMPSON**

**Citations Affected: IC 36-3-4-8.4; IC 36-4-6-25**

HEA 1162 establishes a youth advisory council to advise the General Assembly concerning issues of importance to youth. It also allows the presiding officer of the legislative body of a municipality to appoint an individual not more than 18 years of age to serve as an adviser to the legislative body on matters affecting youth in the community. (3<sup>rd</sup> Reading, RC 248, 47-0)

#### **HEA 1244 LOCAL GOVERNMENT FINANCE**

**Author(s): CANDELARIA-REARDON, GIAQUINTA**

**Sponsor(s): LAWSON**

**Citations Affected: IC 20-42-2; IC 36-9-23-33**

HEA 1244 provides that the certification fee charged for parcels of real property on which municipal sewage fees are delinquent is due when the next installment of real property taxes is billed. Current law provides that the certification fee is due when the next May installment of real property taxes is billed. *(For more information on this Act, please refer to the Education section.)* (3<sup>rd</sup> Rdg., RC #361, 45-2)

HEA 1250 changes the distribution of the Tippecanoe County innkeeper's tax. The Act establishes an advisory commission to make recommendations concerning the use of any proceeds of bonds issued to finance the development of Prophetstown State Park. The Act specifies that the Indiana Finance Authority, in its capacity as the recreational development commission, may issue bonds for the development of Prophetstown State Park.

The Act also requires the Bureau of Motor Vehicles to design the Indiana Native American trust license plate with the advice of the Native American Indian affairs commission (NAIAC). It further provides that money in the Indiana Native American trust fund must be paid to Historic Prophetstown through 2008 and to the NAIAC beginning in 2009.

The Act authorizes Steuben County to impose a 1% food and beverage tax. It further provides that: (1) half of the tax revenue is retained by the county; and (2) the other half of the revenue is distributed to the city of Angola. (3<sup>rd</sup> Rdg., RC #249, 27-20)

**HEA 1275 LOCAL GOVERNMENT COPY FEES**

**Author(s): STEMLER, KLINKER**

**Sponsor(s): SIPES, LAWSON**

**Citations Affected: IC 5-14-3-8**

HEA 1275 establishes a maximum fee a public agency can charge for copies of public information. It specifically defines ‘actual cost’ as the cost of the paper used for the copies and the per-page cost for use of copying equipment. The act stipulates that the total cost of the copies cannot include labor or overhead costs. (3<sup>rd</sup> Rdg, RC 228, 46-0)

**PENSIONS & LABOR**

**SEA 33 STATE POLICE SUPPLEMENTAL BENEFIT**

**Author(s): DEIG, YOUNG**

**Sponsor(s): NIEGODSKI, BUELL**

**Citations Affected: IC 10-12-5**

SEA 33 revises the computation for the supplemental benefit provided to members of the state police pre-1987 benefit system to include in the amount paid in the first year the retired member is eligible for the benefit the salary increases paid to active members in the period after the member retired and before the member first qualified for the supplemental benefit. (3<sup>RD</sup> Rdg., RC #41, 48-0)

**SEA 51 REEMPLOYMENT OF RETIRED PUBLIC EMPLOYEES**

**Author(s): LANDSKE, WEATHERWAX, DEIG, SIPES, TALLIAN**

**Sponsor(s): NIEZGODSKI, BUELL**

**Citations Affected: IC 5-10.2; IC 5-10.4**

SEA 51 reduces the waiting period after which a retired member of the PERF or TRF can return to work from 90 days to 30 days. Those members may be reemployed in a covered position and continue to receive a retirement benefit. Proponents explained that making this change will help to fit with shorter summer gaps that exist between typical reemployment needs and may serve to redress teacher shortages. (Concur, RC #313, 46-0)

**SEA 72 STATE OFFICIERS PUBLIC EMPLOYEE BENEFITS**

**Author(s): KRUSE, MISHLER, TALLIAN, YOUNG**

**Sponsor(s): NIEZGODSKI, BUELL**

**Citations Affected: 5-10.2**

SEA 72 allows, after December 31, 2008, a member of PERF who is vested, separates from employment, and does not perform service in a covered position for at least 90 days to elect to withdraw the entire amount in the member's annuity savings account. The act



provides that, unless the member has transferred the creditable service earned in PERF to another governmental retirement plan, the PERF member is entitled to receive upon benefit eligibility a benefit equal to the pension provided by employer contributions.

A member of TRF or PERF who retires with service in more than one retirement fund is required, under the act, to select the fund from which to retire when the member applies for retirement benefits. Current law requires a member with service in more than one retirement fund to retire from the last fund in which the member rendered service.

In addition, the act authorizes a special death benefit for a chaplain who is appointed or officially designated to serve a state law enforcement agency, a sheriff's department, a volunteer fire department, or a full-time police or fire department of a political subdivision, who dies in the line of duty.

For the Secretary of State, State Auditor and Treasurer of State, the act establishes 65 years of age with at least eight years of creditable service as the normal retirement age. The act also provides that an elected Treasurer of State takes office January 1 following the election. The individual elected Treasurer of State at the 2006 election vests as a member of PERF if the individual is reelected as Treasurer of state at the 2010 election and serves in office until January 1, 2015. (Richard E. Mourdock was elected Treasurer of State in 2006.)

The act deletes the July 1, 2007, expiration date of a provision that authorizes the Treasurer of State to make investments in certain securities that have a maturity of more than two years and not more than five years, and legalizes any such investments made after June 30, 2007. (CCR #2, RC # 343, 47-0)

### **SEA 133 PERF**

**Author(s): MEEKS, DEIG, HUME, LANDSKE**

**Sponsor(s): KLINKER, ESPICH**

**Citations Affected: IC 5-10.2-5**

SEA 133 provides a cost of living adjustment for a retired member of PERF (or a survivor or beneficiary of a member). For those who retired before January 1, 2008, the pension will be increased by 2% for members who retired after December 31, 1999, and 2.5% percent for members who retired before January 1, 2000.

The Act also provides for a thirteenth check to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled before January 1, 2008, based on the complete years of service credited to a member at retirement. The amount will be paid as a single check and is not an increase in the pension portion of the monthly benefit.

The Act repeals the existing provision requiring the monthly benefit payable to a retired PERF member to be at least \$180 and replaces it with a new provision requiring that the

pension portion of the monthly benefit payable to a retired PERF member, excluding elected officials, may not be less than \$180.

The act further allows a member or beneficiary of PERF to assign a benefit payment to pay insurance premiums to an association that proves to the PERF board's satisfaction that the association has as members at least 20% of the retired members of PERF. (3<sup>rd</sup> Rdg., RC #117, 48-0)

#### **SEA 197 MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

**Author(s): FORD, KRUSE, MISHLER, SMITH**

**Sponsor(s): BARTLETT, LEONARD, MAYS**

**Citations Affected: IC 4-13-16.5; IC 4-35-11**

SEA 197 excludes utilities, certain health care services, and rent from the definition of "goods and services" for purposes of contracting with minority and women's business enterprises. The act removes "other similar minority groups" from the definition of "minority group" for purposes of the governor's Commission on Minority and Women's Business Enterprises. Under the act the Commissioner of the Indiana Department of Transportation may designate the Economic Opportunity Director of the department to attend commission meetings.

The act also amends the Horse Racing Commission statute to remove that commission's authority to establish and administer a unified certification procedure, instead requiring the commission to use the certifications of minority and women's business enterprises made by the Department of Administration. (Concur, RC #309, 46-0)

#### **SEA 210 TEACHERS' RETIREMENT FUND (TRF)**

**Author(s): KURSE, SIPES, TALLIAN, BECKER, DEIG,  
WEATHERWAX**

**Sponsor(s): NIEZGODSKI, BUELL, SANDERS**

**Citations Affected: IC 5-10.2; IC 5-10.4-4-11; IC 5-10.4-13**

SEA 210 allows a member of the state teachers' retirement fund (TRF) to change his or her beneficiary designation if the member and the member's designated beneficiary are parties in any action for dissolution of marriage, regardless of where the action is filed. Current law pertains to only those members who are parties in an Indiana action for dissolution of marriage. (3<sup>rd</sup> Rdg., RC #76, 48-0)

#### **SEA 219 LACTATION SUPPORT IN THE WORKPLACE**

**Author(s): SIMPSON, KRUSE**

**Sponsor(s): WELCH, COUCH**

**Citations Affected: IC 4-1-2-1; IC 5-10-6-2; IC 20-33-3-30;  
IC 22-2-14; IC 34-30-2-11.2**

SEA 219 provides lactation support in the workplace for nursing mothers. The Act provides that the state and political subdivisions must provide for reasonable paid breaks for an employee to express breast milk for the employee's infant child; must make reasonable efforts to provide a room or other location in close proximity to the work area where the employee can express the employee's breast milk in privacy; and must make reasonable efforts to provide for a refrigerator or other cold storage for keeping breast milk that has been expressed. The location for expression may not be a bathroom stall.

The Act also provides that private employers that employ 25 or more individuals, to the extent reasonably possible, must provide: a private location for an employee to express the employee's breast milk during any period away from the employee's assigned duties; and a refrigerator or other cold storage space, or allow the employee to provide the employee's own portable storage device, for keeping the expressed milk until the end of the employee's work day. It provides that, except in case of willful misconduct, gross negligence, or bad faith, an employer is not liable for any harm caused by or arising from the expressing or storage of an employee's breast milk on the employer's premises.

This Act was supported by the Indiana Manufacturers Association, the Indiana Chamber of Commerce, the Indiana Perinatal Association, and other health care groups.

According to the U.S. Census Bureau, a little over half of all American women with a child less than one were in the labor force in 2002. There might be about 43,500 women with a child under the age of one that might need to express breast milk.  
(3<sup>rd</sup> reading, RC 139: 47-1)

#### **SEA 329 JUDGES' PENSIONS**

**Author(s): KRUSE, MISHLER, BRODEN, DIEG, HUME, SIMPSON, TALLIAN**

**Sponsor(s): NIEZGODSKI, BUELL**

**Citations Affected: IC 33-23-5-13; IC 33-34-8-3; IC 33-37; IC 33-38**

SEA 329 requires any person who begins serving as a full-time magistrate after July 1, 2010, to become a participant in the judges' 1985 benefit system. The act also will allow any person serving as a full-time magistrate on that date to become a participant in the 1985 system.

Under certain conditions, this act will allow a judge who is (1) a participant in the judges' 1985 benefit system to transfer to the 1985 system service credit earned as a full-time referee, commissioner, or magistrate after leaving a covered position by the 1985 system, and (2) a magistrate who is a participant in the judges' 1985 benefit system to purchase at full actuarial cost, service credit for service earned in the public employees' retirement fund as a full-time magistrate, referee, or commissioner.

For certain participants in the 1985 system who apply for a retirement benefit after December 31, 2009, bases the computation of the annual retirement benefit on the salary being paid for the office that the participant held at the time of the participant's separation from service. Currently, the computation is based on the salary being paid to the participant at the time of the participant's separation from service.

The act provides that benefit increases paid after December 31, 2009, to a participant in the judges' 1985 benefit system who applies for a retirement benefit before January 1, 2010, or to certain terminated vested participants, are equal to the percentage by which the salary being paid for the office that the participant held at the time of the participant's separation from service increases.

In addition, the act increases the court administration fee from \$3 to \$5, and directs that the additional amount be paid into the judges' retirement fund, except for the additional amount collected by the Marion County small claims courts, which must be used to fund the small claims courts' operations.

#### **HEA 1019 PUBLIC EMPLOYEE RETIREMENT**

**Author(s): AVERY, BUELL, NIEZGODSKI, WELCH**

**Sponsor(s): MEEKS, HUME**

**Citations Affected: IC 5-10.2-5-43**

HEA 1019 expands the use of amounts in a retired participant's retirement medical benefits accounts to include the payment of premiums for individual or group health coverage. The act provides a window of 60 days after April 1, 2008, for a retired state employee to file a written request to participate in the state group health insurance program and use the balance in the retired state employee's account to pay the premiums for the coverage if:

- (1) the retired state employee was eligible to participate in the state group health insurance program but did not file a written request to do so within 90 days after the retired state employee's retirement date; or
- (2) the retired state employee, on April 1, 2008, had fewer than sixty days after the retirement date to make the written request.

The act provides a cost of living adjustment in 2009 for certain members (or survivors or beneficiaries of members) of the state teachers' retirement fund. The pension portion is increased for members who retired or were disabled before July 2, 2000, by 2% and for members who retired or were disabled between July 1, 2000, and July 2, 2006, by 1%.

The act also increases the minimum monthly disability retirement benefit paid to certain members of the PERF and TRF from \$100 to \$180 and provides that a distribution of a thirteenth check by PERF or TRF must include distribution to members eligible for disability benefits. (CCR #1, RC #346, 47-0)

The act also requires the Commission on Courts to study the selection process for St. Joseph County judges. (CCR #1, RC # 337, 39-5)

**HEA 1065 RETIREMENT MATTERS**

**Author(s): SAUNDERS, KERSEY, NOE**

**Sponsor(s): KRUSE, PAUL, LEWIS**

**Citations Affected: IC 5-10.2-4**

HEA 1065 provides that a member of the Indiana state teachers' retirement fund (TRF) who serves in an elected position while eligible to begin receiving retirement benefits has up to 30 days after the member's elected term of office ends to choose whether to retire from TRF or PERF.

Under certain circumstances the act allows, until September 1, 2008, the surviving spouse of a deceased PERF member to be designated as the member's designated beneficiary and to receive benefits as a designated beneficiary to the extent that the surviving spouse otherwise qualifies for the benefits.

The act also allows a member of PERF who is receiving a benefit and who is a party in an action for dissolution of marriage may elect to change the member's beneficiary or form of benefit, regardless of where the action is filed. SEA 210 includes a similar provision for members of TRF. (3<sup>rd</sup> Rdg., RC #230, 46-0)

**HEA 1105 VARIOUS PUBLIC SAFETY MATTERS**

**Author(s): TINCHER, GOODIN**

**Sponsor(s): BRAY, WATERMAN, SKINNER**

**Citations Affected: IC 5-22-22-12; IC 36-1-11-5.7; IC 36-8-19**

HEA 1105 contains several provisions related to officer retirement plans, training needed for law enforcement officers to return to service, fire district property transfers and commercial driving license reports. (*For more information on this Act, please refer to the section on Criminal & Civil Law.*)

**HEA 1119 PUBLIC SAFETY LEAVES OF ABSENCE –  
RE EMPLOYMENT**

**Author(s): AUSTIN, NIEZGODSKI, WOLKINS**

**Sponsor(s): WEATHERWAX, LANDSKE, LANANE**

**Citations Affected: IC 36-8**

HEA 1119 allows a retired member of the 1925 police pension fund, the 1937 firefighters' pension fund, the 1953 police pension fund, or the 1977 police officers' and firefighters' pension and disability fund to be rehired, not less than 30 days after retirement, by the same unit that employed the member as a police officer or firefighter

for a position other than that of a full-time, fully paid police officer or firefighter. The member is also allowed under the act to continue to receive a retirement benefit from the appropriate fund. The act allows the reemployment provision to be implemented unless the local board (for the 1925, 1937, and 1953 funds) or the PERF board (for the 1977 fund) receives from the IRS a determination that prohibits the implementation.

The act allows an appointing authority to grant a leave of absence to a police officer or firefighter for service in an elected office and establishes certain rights concerning retirement or pension funds, salaries, promotions, and seniority positions under those circumstances. The act requires any police officer or firefighter who holds an elected position to pay the assessment or contribution to their pension fund for the time period they are on leave in order for them to receive service credit for the leave. The elected official's employer is authorized to pay all or part of the assessment or contribution.

The act also removes the \$35,000 salary exemption for retired members of PERF and TRF who are reemployed in a covered position. (CCR #1, RC #347, 47-0)

#### **HEA 1124 SHERIFFS' AND DEPUTIES' SURVIVING SPOUSE PENSIONS**

**Author(s): GOODIN**

**Sponsor(s): R. MEEKS, LEWIS**

HEA 1124 authorizes counties to provide a cost-of-living adjustment to sheriffs' and deputies' surviving spouse pensions. (3<sup>rd</sup> Rdg., RC #262, 47-0)

#### **HEA 1156 DEATH BENEFIT – FIREFIGHTERS' POLICE PENSION FUND**

**Author(s): TYLER, BUELL**

**Sponsor(s): M. YOUNG**

**Citations Affected: IC 36-8-10**

HEA 1156 increases from \$9,000 to \$12,000 the death benefit payable to heirs or estates of active and retired members of the 1937 firefighters' pension fund, the 1953 police pension fund and the 1977 police officers' and firefighters' pension and disability fund. (3<sup>rd</sup> Rdg. RC #215, 45-0)

#### **HEA 1213 OCCUPATIONAL HEALTH AND SAFETY TRAINING**

**Author(s): BARTLETT, BELL**

**Sponsor(s): KRUSE, HUME**

**Citations Affected: IC 22-8-1.1**

HEA 1213 changes the name of the Department of Labor's Safety Education and Training Bureau to INSafe and transfers the unencumbered and unallocated part of the

appropriation made for the state fiscal year beginning July 1, 2008, from the Bureau to INSafe. (3<sup>rd</sup> Rdg., RC #223, 46-0)

**HEA 1219 UNEMPLOYMENT INSURANCE**

**Author(s): TYLER, AUSTIN, KOCH**

**Sponsor(s): KRUSE, TALLIAN, ARNOLD**

**Citations Affected: IC 22-4-5-1; IC 22-4-14-1**

HEA 1219 makes adjustments to calculations used to determine deductible income from unemployment insurance benefits. (*For more information on this Act, please refer to the section on Criminal and Civil Law.*)

One major labor bill which failed to pass this session, **Senate Bill 335**, was an effort to penalize Indiana businesses that knowingly and repeatedly hire illegal immigrants. The legislation would have allowed the state to step in where the federal government has not adequately enforced immigration law, and certain businesses would have been at risk of losing certifications and licenses. Efforts were made to place the proposal in a summer study committee, but the measure died during an 11<sup>th</sup> hour conference committee. (3<sup>rd</sup> Rdg., RC #168, 37-11)

## **TAX & FISCAL POLICY**

**HEA 1001 PROPERTY TAX RELIEF**

**Author(s): CRAWFORD, ESPICH, TURNER, WELCH**

**Sponsor(s): KENLEY, SKINNER, HUME**

**Citations Affected: NUMEROUS PROVISION THROUGHOUT CODE**

**Property Tax Caps**

- Beginning in 2009, property taxes will be capped based on the following assessed value percentages:

<i>Type of Property</i>	<i>2009</i>	<i>2010</i>
Homesteads	1.5%	1%
Residential Property	2.5%	2%
Agricultural Land	2.5%	2%
Long-Term Care Facilities	2.5%	2%
Non-Residential Real Property	3.5%	3%
Personal Property	3.5%	3%

- This change will benefit property taxpayers who would've paid property taxes in an amount greater than 1.5% of their property's gross assessed value (AV) in 2009, and 1% in 2010. The caps will take effect for 2009 taxes payable in 2010.

- While the caps will help some homeowners and businesses, they will cause revenue shortfalls for many school corporations and local units of government. The greatest impact will be felt in 2010, by which time the caps will be fully phased in.
- Debt approved by referendum will be outside the caps.
- Property taxes imposed in an eligible county to pay debt service or make lease payments for bonds or leases issued or entered into prior to 7/1/08 will not be considered for purposes of calculating a person's credit.

### **Homestead Credits**

- Additional homestead credits will be provided to homeowners in the amount of \$620M in 2008, \$140M in 2009, and \$80M in 2010

### **Senior Property Tax Growth Limitation**

- Property tax bills cannot increase from 2007 levels by more than 2% per year for senior citizens with individual incomes of less than \$30K or joint incomes of less than \$40K and an AV that doesn't exceed \$160K.

### **Supplemental Deduction**

- Provides an additional 35% supplemental deduction for homes with AVs up to \$600K, with any AV remaining over \$600K receiving a 25% supplemental deduction

### **Sales Tax Increase**

- Increases the sales tax from 6% to 7%, beginning April 1, 2008, which will generate approximately \$950M each year.

### **Township Assessors**

- Effective July 1, 2008, the Act transfers to the property assessment duties of township assessors to county assessors in all townships with less than 15,000 real property parcels and in townships in which there is a trustee-assessor.
- In townships with more than 15,000 parcels, a referendum must be held at the general election in 2008 to determine whether the property assessing duties performed by the township assessor should be transferred to the county assessor or not. There are 42 townships with more than 15,000 real property parcels.
- In 2000, there were 1,008 township assessors in Indiana, 827 of who are trustee-assessors. Of the trustee-assessors, 627 did not reach the level of certification required by current statute to retain assessing duties.
- After June 30, 2009, an employee of a county or township assessor who performs real property assessing duties must have the same level of certification that the assessor is required to attain.



- Starting in 2012, a person who runs for election as a county or township assessor must have attained a Level III assessor-appraiser certification before taking office.
- The Act also establishes a procedure for removing county and township assessors who fail to adequately perform the duties of office.

### **Referenda**

- The lesser of (a) 100 people who are either voters or property owners, or (b) 5% of registered voters, may initiate a referendum on a controlled project that meets the following requirements:
  - For a capital project that costs at least \$1M and more than \$2M or 1% of the total gross AV of property within the political subdivision, whichever is less.
  - An elementary school building, middle school building or other school building for academic instruction that will cost over \$10M.
  - A high school building or other school building for academic instruction that will cost over \$20M.
- The referendum must be held during a general or primary election unless there's no election within 6 months from when the county auditor certifies the public question. In that case, a special election will be held between 90 and 120 days after certification.
- Property taxes for projects approved by a voter referendum will not be considered when calculating the impact of the property tax cap.

### **Levy Elimination**

- The following levies will be eliminated: four (4) child welfare levies, Hospital Care for the Indigent, a portion of the Marion Co. Health & Hospital Corp., State Fair & State Forestry Funds, and the DLGF database management levy.
- In addition, the state will assume the county cost of child welfare services and incarcerating delinquent children in DOC facilities, as well as provide state support for all other assumed levies.
- School corporation tuition support levies will be eliminated. The state tuition distributions will be increased by the amount of the terminated levy.
- After 12/31/08, school corporations won't be able to impose a special education preschool property tax levy. Instead, the Department of Education (DOE) will distribute amounts equal to \$2,750 multiplied by the number of special education preschool children in each school corporation.

- From 2009 on, the state Pension Relief Fund shall pay each local unit of government the total pension, disability and survivor benefit payments from the old police and firefighter funds by the unit.

### **School Corporations**

- Creates a state grant of \$50M in 2009 and \$70M in 2010 in an attempt to mitigate the cost of the property tax caps on school corporations. A school corporation can receive the grant only if it expects to lose more than 2% of its property tax revenue due to the property tax caps.
- Gives schools the ability to hold referendums to make up the loss due to the property tax caps
- A school corporation can appeal to the DLGF to impose a shortfall levy to replace a shortfall in a tuition support levy imposed before 2009.
- Creates a tuition reserve fund with \$50M transferred from the state general fund by 12/31/10.
- Requires the school bus replacement plan to apply to at least 12 years, not 10.
- Beginning in 2010, the budget year for all school corporations shall be from July 1 of the year through June 30 of the following year.

### **Child Welfare/Juvenile Delinquency**

- The State (through the Department of Child Services) (DCS) will assume the costs previously paid by counties, which include foster care payments, adoption subsidies, services, programs, and placements ordered for children adjudicated to be children in need of services delinquent children.
- The Act establishes procedures and requirements for the juvenile courts, juvenile probation, and DCS to be used in the determination of services, programs, and out-of-home placements to be provided for CHINS and juvenile delinquents.
- The Act specifies a procedural process for handling disagreements between the juvenile courts and DCS concerning the need for or alternatives to services, programs, or placements.
- The DCS is not responsible for any child services costs if a juvenile court orders services, programs, or placements that are not eligible for federal Title IV-E funds and the services or programs were not recommended or approved by DCS.
- Counties will still be responsible for all bonds issued and loans made for welfare purposes before January 1, 2009.

- Courts may no longer order payment of adoption assistance. DCS subsidy determinations are subject to judicial review, but not administrative review or appeal.
- The state may eliminate local county offices and consolidate them into regions or districts.
- The maximum juvenile informal adjustment period (a type of probation for juvenile offenders) is reduced from 6 to 3 months unless otherwise approved by the juvenile court.
- The Act provides that the state will assume the cost of delinquents committed to the Department of Correction (DOC) after January 1, 2009. Counties will remain responsible for the costs of juveniles placed in DOC facilities before January 1, 2009, and will still have to pay the costs associated with secure detention for juveniles.

#### **Debt Payment Priority**

- Political subdivisions are required to fully fund their debt payment obligations regardless of any loss in property tax revenue due to the property tax caps.

#### **Distressed Unit Appeal Board**

- Adds two members to the Distressed Unit Appeal Board (formerly the Circuit Breaker Relief Board) – one appointed by the Governor, one appointed by the Speaker of the House.
- The threshold for appeal is a 5% reduction in property tax collections.
- The Distressed Unit Appeal Board can allow some or all of the property taxes that are being imposed to pay debt and that would otherwise be included in the calculation of the circuit breaker credit to be excluded for purposes of calculating the credit.
- If political subdivisions disagree with a final determination of the Board, they can petition the Tax Court for judicial review.

#### **EITC**

- Increases the state Earned Income Tax Credit from 6% to 9%

#### **Little Red School House**

- The Department of Education (DOE) is required to adopt administrative rules concerning guidelines for the selection of school sites and the construction, alteration, and repair of school buildings, athletic facilities, and other categories of facilities related to the operation and administration of school corporations.

- School corporations must consider the guidelines and to submit proposed plans and specifications to the DOE, the DOE must then provide written recommendations to the school corporation, including findings as to any major differences between the plans and specifications and the guidelines.
- School corporations must have a public hearing on the plans and specifications, and the DOE must establish a central clearinghouse containing prototype designs for school facilities.

### **Local Budget Review**

- In counties other than Marion County, if the percentage increase in the proposed budget for a civil taxing unit with an unelected governing body for the ensuing calendar year is greater than the growth allowed under the assessed value growth quotient (formerly the threshold was more than 5% over the levy), the governing body of the civil taxing unit must submit its proposed budget and property tax levy for approval by the county fiscal body or municipal fiscal body.
- Budgets, levies and bond issues for taxing units in Marion County with an unelected board must be approved by the city-county council.
- Requires civil taxing units to submit estimated tax rates and a proposed budget to the county fiscal body, which will issue a non-binding recommendation in response.

### **Local Spending Controls**

- Eliminates county project review boards.
- Eliminates excess levy appeals and four maximum levy exceptions.
- Transfers general appeal for lack of adequate funds to carry out government functions from the county board to the DLGF.
- An appeal must be due to a natural disaster, accident, or other unanticipated emergency.

### **LOIT**

- Currently, in addition to CAGIT, COIT and CEDIT, there are three LOIT options available. The three LOITs are for levy replacement (1% max), property tax relief (1% max), and public safety (.25% max or .5% max in Marion Co.) In 2007, 14 counties adopted one or more of the LOITs.
- Under the Act, a county may adopt the public safety LOIT if the combined LOIT rate for levy replacement and property tax relief is at least .25%.
- Political subdivisions will be allowed to continue to receive LOIT allocations that would otherwise be lost as a result of the elimination of levies.
- Counties can decide each year to reallocate LOIT revenue adopted for tax relief among homesteads, residential property and broad-based property tax relief.

### **Renter's Deduction**

- Increases the renter's deduction from \$2,500 to \$3,000

### **Standard Deduction Changes**

- Changes the standard deduction to the lesser of \$45K or 60% of the homestead's gross AV beginning in 2009.
- DLGF must adopt rules to prevent married couples from claiming more than one standard deduction.

### **TIF and Local Debt**

- Deletes requirement that TIF obligations are subject to petition and remonstrance proceedings.
- Changes the maximum term for property tax-backed obligations to 25 years.
- Allows a TIF shortfall resulting from state law or DLGF action to be circumvented by a special assessment on property within the allocation district; but the legislative body that established the TIF district must review any such action.
- With respect to any type of bond backed by property taxes, a local issuing body is prohibited from:
  - The issuance of refinancing bonds that have a repayment date beyond the maximum terms of the bonds being refunded.
  - Using savings from a refunding for any purpose other than funding a reserve, reducing levies, or reducing outstanding debt.
- Certain decisions concerning TIF allocation areas are to be made by the legislative or fiscal body of the city, town or county, instead of the redevelopment commission.

### **Amendments offered to HEA 1001**

**Amendment # 1** provides that if a township assessor determines that the township assessor has made an error concerning: (1) the assessed valuation of property; (2) the name of a taxpayer; or (3) the description of property; in an assessment, the township assessor shall on the township assessor's own initiative correct the error. The amendment provides that if such a correction results in a reduction in an assessment, the taxpayer is entitled to a credit on the taxpayer's next tax installment. (Zakas, VV, Prevailed)

**Amendment # 2** allows a county fiscal body to adopt an ordinance that gives taxpayers the option of paying one or more property tax installments via an automatic monthly deduction from a checking account, or regular monthly payments (Tallian, VV, Prevailed)

**Amendment # 3** proposed a property tax relief alternative through granting a 100% homestead credit. The homestead credits would have been funded by increases in the sales tax (from 6% to 7%) and the state income tax (from 3.4% to 5%). The amendment also would have established a county government security trust fund to replace revenue lost by political subdivisions due to the granting of the homestead credits. It also would have established a residential renter's credit. (Hume, RC #241, 15-28, defeated)

**Amendment # 4** would have limited the property tax caps to homesteads at 1%. (Mrvan, RC #243, 15-28, defeated)

**Amendment # 8** provides that in counties other than Marion County, if the percentage increase in the proposed budget for a civil taxing unit with an unelected governing body for the ensuing calendar year is greater than the growth allowed under the assessed value growth quotient, the governing body of the civil taxing unit must submit its proposed budget and property tax levy for approval by the county fiscal body or municipal fiscal body. (Kenley, VV, Prevailed)

**Amendment # 9** provides that the exemptions from the property tax levy limits for certain taxes to fund a community mental health center or community mental retardation and other developmental disabilities center do not apply to a civil taxing unit that did not fund a community mental health center or community mental retardation and other developmental disabilities center in 2008

The amendment provides that a county auditor may not grant an individual or a married couple a standard deduction if the individual or married couple, for the same year, claims the deduction on two or more different applications for the deduction and the applications claim the deduction for different property.

The amendment specifies that property taxes imposed after being approved by the voters in a referendum, and property taxes imposed to pay debt service before July 1, 2008 shall not be considered for purposes of calculating the property tax caps.

The amendment provides that for property taxes first due and payable in 2009, a person's property tax liability will be capped as follows: (1) homestead property at 1.5%; (2) residential property at 2.5%; (3) agricultural land at 2.5%; (4) long-term care property at 2.5%; (5) non-residential real property at 3.5%; or (6) personal property at 3.5%; of the gross assessed value of the property.

The amendment requires the Department of State Revenue and the Office of Management and Budget to develop reports related to local option income taxes (LOIT).

The amendment provides that a taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds 20% of the total assessed value of all taxable property in the county on that date.

The amendment provides for a grant in 2009 and 2010 to replace a portion of the revenue lost to a school corporation from the application of the property tax caps.

Debt backed by property taxes issued after June 30, 2008 can't exceed 25 years.

Beginning in 2009, the state pension relief fund must pay each unit of local government the total amount of pension, disability, and survivor benefit payments from the old police and firefighter funds by the unit. It also makes an appropriation to the pension relief fund.

The amendment provides an additional supplemental standard deduction for homesteads.

The amendment provides additional homestead credits in 2008 of \$620,000,000.

The amendment requires a transfer of \$25M from the State General Fund to the State Tuition Reserve Fund in 2008 and 2009.

The amendment appropriates \$10M to the Department of Education from the State General Fund for the 2009 state fiscal year to make new facility adjustment distributions that are approved by the Department of Local Government Finance. (Kenley, VV, Prevailed)

**Amendment # 15** would have required the state to make an appropriation to replace 95% of revenue loss to school corporations due to the property tax caps. (Broden, RC #244, 16-27, defeated)

**Amendment # 16** proposed an alternative property tax relief model based on a taxpayer's income rather than the value of their home. The plan would have established a range of homestead credit percentages from 40% to 90% based on adjusted gross income. It also would have increased the renter's deduction from \$2,500 to \$5,000 and the state earned income tax credit from 6% to 9%. The plan would have been funded by an increase in the sales tax (from 6% to 7%) and assumed a ½ % local option income tax. (Simpson, RC #240, 16-30, defeated)

**Amendment # 17** would have removed references to township assessors throughout the Indiana Code. The amendment would have given county councils the power to remove a county assessor from office if the DLGF reports that the assessor isn't adequately performing his or her duties. (Lubbers, RC #239, 23-23, defeated)

**Amendment # 19** requires that after 6/30/08, any person running for the office of township trustee with assessing duties must have a Level II assessor-appraiser certification prior to taking office. If a person wins the election, but doesn't attain the Level II certification before taking office, they are prohibited from performing any assessing duties.

The amendment allows a county legislative body to adopt an ordinance authorizing a township referendum to determine whether a township assessor's duties should be transferred to the county assessor. It also allows a referendum to transfer duties back to the township assessor. (Landske, RC #242, 24-20, prevailed)

**Amendment # 20** requires the DLGF to report to the Commission on State Tax and Financing Policy before 8/1/08 concerning the possibility of eliminating the current method of assessing and valuing property for taxation purposes and the use of alternative methods. The amendment specifically requires the DLGF to report three options for alternative methods of valuing property for the purposes of taxation. It also requires the Commission to study the information reported and issues findings and recommendations to the Legislative Council before 11/1/08. (Miller, VV, Prevailed)

**Amendment # 21** adds the Health and Hospital Corporation of Marion County and any other taxing unit that (1) has the power to impose property taxes; and (2) has a governing body that is not comprised of a majority of officials who are elected to serve on the county governing body to the list of entities whose proposed operating and maintenance budgets and tax levies the city-county legislative body is required to review and adopt. (Miller, VV, Prevailed)

**Amendment # 22** (a) A special meeting may be held by the legislative body if the executive, the chairman of the legislative body, or a majority of the members of the legislative body issue a written notice of the meeting to each member of the legislative body. The notice must state the time, place, and purpose of the meeting. (b) The legislative body may consider any matter at a special meeting. However, the only matters that may be acted on at the special meeting are the matters set forth in the notice.

At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or another emergency requiring the expenditure of money not included in the township's budget estimates and levy.

In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

If the legislative body finds that an emergency requires the borrowing of money to meet the township's current expenses, it may take out temporary loans in an amount not more than eighty percent (80%) of the total anticipated revenue for the remainder of the year in which the loans are taken out. (Merritt, VV, Prevailed)

Final vote on HEA 1001 – CCR#1, RC #364, 41-6



## **HEA 1010 TAX PROCEDURES**

**Author(s): CRAWFORD, BATTLES, ESPICH**

**Sponsor(s): KENLEY, HUME, MEEKS, SKINNER, MRVAN**

**Citations Affected: IC 6-1.1; IC 6-3.5-1.5-1; P.L.234-2007, SECTION 300; P.L.234-2007, SECTION 301**

This Act retroactively extended the deadline for filing a homestead credit and other deductions (mortgage, elderly, blind, disabled, disabled veteran, WWI veteran and spouse, solar energy, and wind-powered device deductions as well as the homestead standard deduction) for taxes first due and payable in 2008. To give local governments more time to adopt local option income taxes (LOIT) for freezing levy growth, public safety, and/or property tax relief, the deadline for adoption was extended to December 31, 2007. The law requires that the additional 2008 homestead credit must be applied before the application of any local property tax replacement credits or increases in the homestead credit percentage that are funded by the LOIT for property tax relief. The Act provides that a taxpayer is not required to have a property appraisal conducted in order to appeal a property assessment. The Act authorizes the Department of Local Government Finance (DLGF) and local governments to take certain actions related to property taxes first due and payable in 2007. Finally, the Act states that in the event of an insufficient balance in the Property Tax Reduction Trust Fund when the spring installment of the additional 2008 homestead credit is paid, the Auditor of State shall transfer the amount necessary from the state General Fund. (3<sup>rd</sup> Rdg., RC #4, 47-1)

This Act was passed by the General Assembly on Organization Day in November of 2007 and signed into law by the Governor soon after.

## **HEA 1125 TAXATION**

**Author(s): GOODIN**

**Sponsor(s): KENLEY**

**Citations Affected: IC 6-3-1-11**

### **Internal Revenue Code (IRC) update**

- Updates the reference to the IRC to incorporate all the federal changes made up to January 1, 2008.

### **Federal Economic stimulus**

- Excludes from state adjusted gross income any amount of credit provided to an individual from the federal adjusted gross income from the Federal Economic Stimulus Act of 2008.

### **Tax disclosure**

- Authorizes the DOR to disclose information concerning taxpayers to law enforcement officials when requested by proper authorities and when used for official purposes.

**Failure to file tax**

- Imposes a failure to file penalty on individuals even if the person is eligible for a refund.

**Bad check**

- Provides the bad check penalty applies to any payments that are not honored when presented to the appropriate financial institution including credit cards and other electronic payments.

**Tax returns**

- Delays the imposition of penalties upon professional preparers who fail to comply with the requirement to file electronically until 1/01/2011. Permits taxpayers who have a professional preparer file their tax returns to a opt out of the requirement to file the returns electronically.

**Non-resident income tax payments**

- Requires withholding payments and estimated income tax payments for nonresident aliens to be computed on no more tan 1 personal exclusion.

**Sales tax return**

- Provides a taxpayer that collects less than \$1,000 sales tax per year only has to file an annual return.

**Withdrawal of 529**

- Nonqualified withdrawal from a 529 Education savings plan by a nonresident without tax liability the DOR may bill the taxpayer to recapture the credit. Qualified withdrawals from a 529 education savings plan, does not include a rollover or transfer to any college choice savings plan or another 529 savings plan.

**Non-resident income tax**

- Earned income tax credit for a partial year nonresident will be apportioned to equal the portion of income derived from Indiana as a percentage of total income.

**Media production**

- The Act provides that all tax credits for qualified media production expenditures are subject to a \$5M annual cap. Current statute (HEA 1388-2007) provides for a \$5M annual cap for credits claimed by taxpayers making at least \$6M in qualified expenditures during a year, but does not apply the cap to taxpayers making less than \$6 M in qualified expenditures.

**Economic improvement district assessment**

- Economic improvement district assessment is included within the definition of property taxation, however is not eligible for credit.

### **Riverfront development**

- Allows certain towns to designate municipal riverfront development project areas.

### **Warrick County**

- State Tax and Financing Commission to study the Warrick County sales tax increment financing district.

### **Excessive levy appeal for shortfall**

- Civil taxing units or school corporations may file a late excessive levy appeal based on a revenue shortfall from erroneous assessed value figures for property taxes payable in 2007.
- If an excessive levy appeal is successful, the following do not apply:
  - (1) the deadline for Department of Local Government Finance to certify budgets;
  - (2) the deadline for mailing tax statements; and
  - (3) standard tax due dates.

### **Excise tax**

- Removes provision in the motor vehicle excise tax law requiring excise taxes to be deposited in a separate account within a depository.
- Recreational vehicles and truck campers are subject to an excise tax instead of the property tax on personal property.

### **Personal property tax**

- Excludes certain non-business personal property from assessment and taxation. (all-terrain vehicles, snowmobiles, canoes, etc.).

### **Mobile homes**

- Common areas shared by manufactured homes or mobile homes are defined as residential property.

### **Property assessment affecting industries**

- Adds a provision describing the legislative intent with regard to the 2003 enactment of certain personal property assessment procedures affecting integrated steel mills and the oil refining and petrochemical industry.
- Creates a new class of property called "Pool 5".

### **Department of Local Government Finance (DLGF)**

- Permits the DLGF to adjust levies to account for the effect of the elimination of property taxes on recreational vehicle, truck campers, and non-business personal property.

- Permits taxing units to apply for an excessive levy in 2010 to mitigate the effects of elimination of property taxes on non-business personal property.

#### **Cigarette tax**

- Requires cigarette tax distributor to be current in all taxes before a license may be issued or renewed.
- Requires cigarette tax payments to be made by EFT if the distributor purchases the stamps on credit

#### **Utility wholesaler**

- Clarifies the utility receipts tax to provide that if a utility purchases natural gas and the buyer consumes the gas in the direct production of electricity the purchase is a purchase at wholesale and exempt from URT. All retroactive provisions should be removed.

#### **Sales tax exemption**

- Extends the sales tax exemption for property directly used in media productions until December 31, 2011.

#### **Property tax exemption**

- Allows non-profit limited liability companies to claim property tax exemptions for prior years.

#### **Interstate commerce exemptions**

- Allows certain taxpayers to claim interstate commerce exemptions for certain inventory for the 2004, 2005, and 2006 assessment dates. Amended returns will be considered timely filed. (Advanced Control Technologies)

#### **Church or religious society exemption**

- Allows a church or religious society that failed to timely file an application for property tax exemption for the 2003, 2004, or 2005 assessment dates, to be granted the exemption.

#### **Motor vehicle titles**

- A seller or transferor (other than a license dealer in Indiana) is required to complete all the blanks relating to buyer information, including sale price, on a certificate of title. Failure to do so is a Class A misdemeanor for the first violation and a Class D felony for subsequent violations.

#### **Motor vehicle inspection**

- Certain motor vehicles titled from outside Indiana do not need inspection for an Indiana title to be issued.

#### **Advance wages**

- Certain motor carrier employers may provide an advance of wages, and then subsequently deduct from future wages.

#### **Dealer's license**

- A person who sells at least 12 off-road vehicles to the general public each year for delivery in Indiana must secure a dealer's license.
- Repeals language exempting off-road vehicle sellers from the requirements of a motor vehicle dealer's license.

#### **Abandoned vehicles**

- Police officers who find or are notified of a potentially abandoned vehicle, will attach a notice tag stating the vehicle will be removed after 36 hours.

#### **Aircraft rental**

- People taking flying lessons will pay sales tax on the rental or leasing of the plane, but not on the cost of the flight instructor.

#### **Health Education Center**

- Distribution of expenditures already allotted for health education centers (AHEC).

#### **PERF disability retirement**

- Beginning June 30, 2008, the minimum monthly disability retirement benefit for PERF members will increase from \$100 to \$180.

#### **Marion County**

- Allows Marion County to issue tax rebate checks and property tax reconciliation statements in the same envelope

#### **NCAA / Super Bowl**

- Exempts from taxation all property, revenues, expenditures and transactions of the NFL or the NCAA in connection with a Super Bowl or Final Four conducted after December 31, 2011. Qualifying events are exempt from the Marion County Admissions tax.
- Final Four exemption does not include salaries and wages of NCAA corporate employees.

#### **Rainy Day**

- Extends the deadline by which the State Board of Finance must authorize loans from rainy day fund for a qualifying unit of government (Howard County).

#### **Brown County school loan**

- Provides a loan from the Rainy Day Fund to a school whose property tax distribution for 2007 and 2008 is more than 60 days past due. Total loans may not exceed \$6M for one calendar year.

### **Indiana State University**

- Corrected 2007 language: Money for laboratory renovations and Satellite Chiller Capacity.

### **Indiana-Purdue Fort Wayne (IPFW) Student Services and Library**

- IPFW is authorized to issue bonds for a student services and library complex not to exceed \$16M.

### **Fire district levy appeals**

- Allows for the Honey Creek fire district in Vigo County to appeal increasing the district's levy. Levy may be increased to a maximum of \$212,500.

### **Department of Natural Resources salaries**

- Equalizes the salaries of district foresters and natural science managers; both positions will share the same salary and wage schedules. The higher of the two salary or wage schedules will be taken.

### **Commission on Disproportionality in Youth Services**

- Extends the due date for the Commission to report to the Governor and Legislative Council from August 15, 2008 to October 15, 2008.

(3<sup>rd</sup> Reading, RC #263, 47-0)

## **HEA 1164 PROPERTY TAX DEDUCTION FOR MODEL RESIDENCES**

**Author(s): HERRELL, BORROR, BUCK**

**Sponsor(s): KENLEY, LEWIS**

**Citations Affected: IC 6-1.1-12.6**

For taxes payable in 2010 and after, this Act grants a property tax deduction to owners of model homes used for display or demonstration purposes if the homes have never been used as a principal residence. For the purposes of this Act, an owner may also include a syndicate, an affiliated group, or a limited liability company that is treated as a partnership for federal income tax purposes. It does not include a corporation, a trust or an estate. A residence that is used solely as the owner's regular office space may not qualify for the deduction; however, property such as garages used to store or display promotional material, or used to meet with prospective clients do qualify for the deduction. The deduction does not apply to the land on which the home is built.

The deduction lasts for four consecutive years. In the first year, the Act assumes that the residence would be partially assessed and grants a 50% deduction of the partially assessed value. In the following three years, the Act assumes that the model would be fully assessed and grants a 50% deduction of this fully assessed value. If, within the four year period, the residence is sold between March 2<sup>nd</sup> and December 31<sup>st</sup> of the current year, the deduction ends unless the residence is sold to another taxpayer who also uses it as a model home. (3<sup>rd</sup> Reading, RC #217, 45-0)

## **HEA 1293     TAXATION**

**Author(s):    GIAQUINTA, BORROR, GOODIN, VANDENBURGH**

**Sponsor(s):   BRAY, BRODEN, LANANE**

**Citations Affected:   IC 6-1.1**

**Sales Disclosure Form Changes** – Under current law, sales disclosure forms and conveyance documents are used to record the sale or transfer of real property. These documents are filed with the county auditor after being reviewed by the county assessor. This Act makes several changes pertaining to the use of these documents:

- The definition of a conveyance is extended to include a transfer of real property to a charity.
- Includes documents as a result of a foreclosure, divorce, court order, condemnation, or probate as part of the definition of a “conveyance document.”
- Stipulates that the sales disclosure form is considered accurate and complete even if it includes additional information other than that required by the DLGF.
- Formalizes the filing fee at \$10, but exempts transfers to charities, and transfers occurring because of a foreclosure, divorce, court order, condemnation or probate.
- Requires a separate sales disclosure form for each parcel conveyed even if the conveyance document covers multiple parcels. However, only one form is required if the parcels are contiguous. The sales disclosure form must include the key number of the parcel subject to conveyance, the address if the parcel is improved, a legal description of the parcel, and an estimate of the value of any personal property included in the transfer.
- If there are more than two parties to a transaction, one party signing for each side is sufficient. Increasing the penalty for willfully falsifying a sales disclosure form from a Class A misdemeanor to a Class C felony. An individual is considered to have willfully falsified a document if he does not correct the error within 30 days of being notified.
- Only sales disclosure forms approved by the county assessor may be filed. Individuals may use either a paper or an electronic form when applying for the homestead credit and other property tax deductions.

### **Homeowner Deduction Application Changes**

HEA 1293 allows for filing of statements to claim the homestead credit and property tax deductions any time during a calendar year with respect to real property, or any time during the designated 12 month filing period with respect to mobile homes and manufactured homes not assessed as real property. It provides that a taxpayer that files for the homestead credit or a property tax deduction must be the owner or contract buyer

only on the filing date, and not on the assessment date to which the credit or deduction applies.

The Act provides that regardless of a change of ownership, the homestead credit or a property tax deduction applies automatically in a year if: (1) the credit or deduction applied in the immediately preceding year; and (2) the current title holder or contract buyer is eligible for the credit or deduction. The Act allows a county auditor to reduce the assessed value used to set tax rates to take into account deductions resulting from applications filed late in the year. The Act provides that changes in information reported by the county auditor to political subdivisions resulting from applications filed late in the year do not result in withholding of property tax replacement revenue by the state. Finally, the Act requires the Department of Local Government Finance to adopt rules to establish guidelines to enforce the application of the homestead credit only to an individual's principal place of residence.

#### **Property Maintenance Area Tax Credit**

HEA 1293 provides that a municipality may adopt an ordinance establishing a property maintenance area (PMA) and provide grants to individuals that receive a certification from the municipality for property maintenance performed within the PMA.

#### **Amended Property Tax Returns**

HEA 1293 allows certain taxpayers to claim interstate commerce exemptions for certain inventory for the 2004, 2005, and 2006 assessment dates by filing amended returns before March 1, 2008.

(3<sup>rd</sup> Reading, RC #284, 46-1)

### **SEA 208 TAX PAYMENTS**

**Author(s): KENLEY, TALLIAN, LANANE, LANDSKE, ROGERS**

**Sponsor(s): HARRIS, CANDELARIA-REARDON**

**Citations Affected: IC 6-1.1**

This Act allows a county after June 30, 2009, to authorize county taxpayers to pay property taxes by automatic deduction from a checking account. The Act provides that after June 30, 2009, a county council may authorize the payment of property taxes by a monthly installment plan (in addition to the option of authorizing payments by automatic deductions from a checking account).

The Act specifies that in the case of a taxpayer that pays property taxes by automatic deductions, the payment is deducted from the taxpayer's checking account on a date chosen by the taxpayer. The Act specifies that if a taxpayer makes automatic monthly deductions or monthly installments of property taxes in the amount determined by the county treasurer, the taxpayer's property tax payments shall not be considered delinquent and the taxpayer is not subject to penalties. (3<sup>rd</sup> Reading, RC #135, 47-1)



## **SEA 233 STEAMLINED SALES TAX CONFORMITY**

**Author(s): KENLEY**

**Sponsor(s): WELCH, TURNER**

**Citations Affected: IC 6-2.5**

This Act adds definitions of the following terms from the Streamlined Sales and Use Tax Agreement (SSUTA) to the Sales and Use Tax statutes:

- (1) "digital audiovisual works"
- (2) "digital audio works"
- (3) "digital books"
- (4) "specified digital products."

The Act also amends the definition of "durable medical equipment" to conform with the SSUTA. This Act extends the date when sales of floral products will be sourced to the location of the floral business that takes a floral order from a purchaser, to conform with the SSUTA to January 1, 2010.

The Act provides that a person who transfers specified digital products to an end user with a grant of permanent use is a retail merchant making a retail transaction. (3<sup>rd</sup> Rdg., RC #81, 48-0)

## **SJR 1 PROPERTY TAXES**

**Author(s): KENLEY**

**Sponsor(s):**

**Citations Affected: Article 10, Section 1 of the Constitution of the State of Indiana**

### **Property tax caps**

- Starting with property taxes payable in 2012 and after, the General Assembly is required to cap a taxpayer's property tax liability as follows:
  - (1) 1% of the gross assessed value of homestead property;
  - (2) 2% of the gross assessed value of other residential property;
  - (3) 2% of the gross assessed value of agricultural land;
  - (4) 3% of the gross assessed value of other real property; and
  - (5) 3% of the gross assessed value of personal property.

### **Impact of referenda on caps**

- The amendment specifies that property taxes approved by voter referendum will not be included in calculating property tax caps.

### **Debt exception**

- For counties that expect to lose at least 20% of aggregate property tax revenues in 2010 (Lake and St. Joseph), all debt and lease obligations entered into before July 1, 2008 will not be considered in calculating property tax liability. This provision becomes obsolete in 2020.

### **Exemptions**

- Permits the exemption of a mobile home used as a homestead to the same extent as real property
  - (1) Specifies that an exemption may be granted in the form of a deduction or credit.
  - (2) Specifies reasonable filing requirements to obtain the exemption, deduction, or credit.

This proposed amendment has not been previously agreed to by a General Assembly, so it must also be approved by the General Assembly in 2009 or 2010 before it can go to the public for a vote. Only if two consecutive General Assemblies and the public votes in support of this amendment will it go into effect.

(3<sup>rd</sup> Reading, RC #88, 41-7)

## **TRANSPORTATION**

### **SEA 31 STATE HIGHWAY PROPERTY ACQUISITION**

**Author(s): BRODEN, LANDSKE, ZAKAS, ARNOLD**

**Sponsor(s): DEMBOWSKI**

**Citations Affected: IC 8-23-5-9**

SEA 31 requires INDOT to conduct a public hearing in at least one county in which a right-of-way is located and publish notice of the meeting in two newspapers of the county, if available, where the meeting is conducted. If the locations and widths of the additions are established, INDOT has to provide a map of the property to be acquired and then, once approved at the public meeting, record the approval and the map with the recorder in each county in which property is to be acquired. INDOT also must announce the recording in each county where the approval and map are recorded.

Further, the Act requires INDOT to notify the owner of property that will be entered by an INDOT employee or representative about the owner's right to compensation and the procedure to obtain compensation for damage caused, including contact information for a person or office within INDOT to which the owner may direct questions. INDOT must pay any compensation awarded within 60 days of an agreement for compensation or a court order.

The Act specifies that the fair market value for purchased property is the date of purchase, while the fair market value for property acquired by eminent domain is determined on the date the complaint in condemnation is filed. For agricultural land, the fair market price is determined under IC 32-24-1 concerning eminent domain. (CCR#1, RC #326, 47-0)

**SEA 81      TRANSFER ON DEATH CONVEYANCES AND  
PROHIBITION OF CERTAIN FEES**

**Author(s):    KRUSE, MISHLER, BRAY, TALLIAN**

**Sponsor(s):   HERRELL, FOLEY, LAWSON**

**Citations Affected:   IC 6-1.1-5-7; IC 9-17; IC 9-18-12-5; IC 9-29-4-4;  
IC 9-31-2; IC 32-21-13**

SEA 81 authorizes an owner of a vehicle or a watercraft to transfer ownership of the vehicle or watercraft upon the death of the owner by designating a transfer on death beneficiary on the certificate of title for the vehicle or watercraft. The change also allows 60 days rather than 31 days for an individual acquiring a motor vehicle or a watercraft as a transfer on death beneficiary to fulfill certain duties. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**SEA 175     VARIOUS INDOT MATTERS**

**Author(s):    MERRITT, SIMPSON**

**Sponsor(s):   AUSTIN, DUNCAN**

**Citations Affected:   IC 8-23-9-4**

SEA 175 changes the requirements for certain bids that INDOT may accept for state highway projects. The Act provides that INDOT may not require certain contractors to assume any liability or indemnify the state for any amount greater than the degree of fault of the contractor. (Concurrence, RC #304, 46-0)

**SEA 197     MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

**Author(s):    FORD, KRUSE, MISHLER**

**Sponsor(s):   BARTLETT, LEONARD, MAYS**

**Citations Affected:   IC 4-13-16.5; IC 4-35-11**

SEA 197, as it applies to transportation issues, provides that the Commissioner of INDOT may designate the economic opportunity director of the department to attend meetings of the governor's Commission on Minority and Women's Business Enterprises. *(For more information on this Act, refer to the section on Economic Development.)*  
(Concurrence, RC #309, 46-0)

**SEA 307 VARIOUS BUSINESS MATTERS**

**Author(s): BRAY, BRODEN**

**Sponsor(s): BARDON, BURTON**

**Citations Affected: IC 4-1-10-5; IC 4-5-1-11; IC 9-17; IC 9-18-26; IC 9-22; IC 9-23-2; IC 9-29; IC 9-31; IC 15-7-1-29; IC 23-1-18-3; IC 23-15-1-1; IC 23-16-12-4; IC 23-17-29-3; IC 23-18-12-3.**

SEA 307 clarifies the licensure process for boat dealers, vehicle dealers and vehicle salvaging between the Secretary of State and the BMV. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**SEA 339 VARIOUS MOTOR VEHICLE MATTERS**

**Author(s): MERRITT, ROGERS**

**Sponsor(s): AUSTIN, SAUNDERS**

**Citations Affected: IC 5-2; IC 6-6-5-9; IC 9-13-2; IC 9-18-2-8; IC 9-27-4; IC 9-29**

SEA 339 repeals and relocates provisions concerning the licensing of commercial driver training schools and instructors, and transfers responsibility and funding from the BMV to the Indiana Criminal Justice Institute.

Under the act, a person who engages in the business of selling at least 12 off-road vehicles to the general public each year for delivery in Indiana must secure a dealer's license from the Secretary of State, repealing existing language that exempted these dealers.

The act removes the requirement that the daily deposit of motor vehicle excise taxes collected by the BMV be deposited in a separate account. It also authorizes the BMV to determine the registration schedule for various categories of vehicles and repeals outdated language concerning registration schedules for certain vehicles.

The act further provides that under certain circumstances, certain motor vehicles titled outside of Indiana do not need an inspection for an Indiana title to be issued. (CCR#1, RC #353, 43-4)

**HEA 1052 MOTORISTS DUTIES AT ACCIDENT SCENES AND  
OPERATING WHILE INTOXICATED OFFENSES**

**Author(s): NEESE, HOY, THOMPSON**

**Sponsor(s): RIEGSECKER, LANANE**

**Citations Affected: IC 9-26-1**

HEA 1052 provides that the law requiring a driver involved in an accident to stop at the accident scene, notify the appropriate law enforcement agency, and render reasonable assistance applies if the accident results in the entrapment of a person in a vehicle. Under

current law, the law applies only if the accident results in the injury or death of a person. If the driver is physically incapable of notifying the appropriate law enforcement agency or rendering reasonable assistance, the duty to notify or to render reasonable assistance is imposed on a passenger in the driver's vehicle if the passenger is at least 18 years of age or is at least 15 years of age and holds a learner's permit or driver's license.

The act specifies that a person who knowingly, intentionally, or recklessly violates the law requiring a driver or a passenger to take certain actions at the scene of an accident commits a Class C misdemeanor. A passenger who fails to act in accordance under these circumstances commits a Class C misdemeanor. Under the act, a passenger is immune from civil liability for providing emergency care. An examination for a learner's permit will now include content to test the applicant's knowledge of the duty to stop and provide assistance.

Further, the act provides that felony resisting law enforcement and operating while intoxicated (OWI) causing serious bodily injury are crimes of violence. It makes OWI committed by a person with a previous conviction for OWI causing death, serious bodily injury, or with a minor in the vehicle a Class C felony. The Act also makes leaving the scene of an accident after committing operating while intoxicated causing serious bodily injury a Class B felony.

Under the act, a court is permitted to require a license suspension imposed as the result of a conviction for operating while intoxicated to be imposed before or after, or both before and after, any period of incarceration. (CCR#2, RC #355, 42-5)

#### **HEA 1096 VARIOUS PROVISIONS CONCERNING COURTS**

**Author(s): HOY, BISCHOFF, KOCH**

**Sponsor(s): BRAY, BRODEN, LANANE**

**Citations Affected: IC 2-5-1.5-5; IC 9-24-15-4; IC 33-23;  
IC 33-30-2; IC 33-31-1-24; IC 33-33**

HEA 1096 allows a petition for a hardship driving license to be filed in the superior court of the county in which the petitioner resides. Under current law the petition can be filed only in the circuit court of the county in which the petitioner resides. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

#### **HEA 1112 LEARNERS' PERMITS AND GRADUATED DRIVERS' LICENSES**

**Author(s): MICON, AUSTIN, TORR, WELCH**

**Sponsor(s): WYSS, TALLIAN**

HEA 1112 establishes the Interim Study Committee on Learners' Permits and Graduated Drivers' Licenses. *(For more information on this Act, please refer to the section on Criminal and Civil Law.)*

**HEA 1202 ABRAHAM LINCOLN BICENTENNIAL LICENSE PLATE**

**Author(s): STILLWELL, BUCK, COUCH**

**Sponsor(s): MERRITT, R. YOUNG**

**Citations Affected: IC 9-18; IC 9-29-5-34.5**

HEA 1202 requires the BMV to design and issue an Abraham Lincoln bicentennial license plate to be issued in 2008 and 2009. The plate will be available at no additional fee for motorists and may be displayed through 2013. (3<sup>rd</sup> Rdg., RC #220, 46-0)

**HEA 1203 REGISTRATION OF CERTAIN SCHOOL BUSES**

**Author(s): PFLUM, SAUNDERS**

**Sponsor(s): PAUL, SKINNER**

**Citations Affected: IC 9-18-2; IC 9-29-5-42; IC 20-27-7**

HEA 1203 modifies the registration cycle for school buses not owned by a school corporation. (*Please see the Education Section for information on this Act.*)

**HEA 1220 REGIONAL DEVELOPMENT**

**Author(s): DOBIS**

**Sponsor(s): CHARBONNEAU, TALLIAN, KENLEY**

**Citations Affected: IC 6-2.5-14; IC 36-7.5-1-18; IC 37-7.5-4-1**

HEA 1220 originally called for a plan to divert some sales tax collected in Northwest Indiana to fund the extension of the South Shore Line. The bill encountered numerous concerns in the Senate, including a request to include a connection to the Gary International Airport. The bill was amended to require the Commission on State Tax and Financing Policy to study state and local funding alternatives for the South Shore West Lake extension (3<sup>rd</sup> Rdg., RC #273, 47-0)

**HEA 1243 RETRACTABLE TIRE STUDS**

**Author(s): BLANTON, AUSTIN**

**Sponsor(s): WYSS, ROGERS**

**Citations Affected: IC 9-13-2-154.8; IC 9-19-18-3**

HEA 1243 allows vehicles to be equipped on a year-round basis with tires that have retractable tire studs if the retractable tire studs remain retracted from May 2 to the following September 30. (3<sup>rd</sup> Rdg., RC #225, 45-0)

**HEA 1250 LOCAL GOVERNMENT FINANCE**

**Author(s): KLINKER, BUELL, MICON, POND**

**Sponsor(s): HERSHMAN, ALTING, ROGERS, SIPES**

**Citations Affected: IC 6-9-7-7; IC 9-18-44**

HEA 1250 requires the Bureau of Motor Vehicles to design the Indiana Native American trust license plate with the advice of the Native American Indian affairs commission (NAIAC). It further provides that money in the Indiana Native American trust fund must be paid to Historic Prophetstown through 2008 and to the NAIAC beginning in 2009. *(For more information on this Act, please refer to the section on Local Government.)*

**HEA 1253 MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES**

**Author(s): SAUNDERS, AUSTIN**

**Sponsor(s): BOOTS**

**Citations Affected: IC 9-21-2**

HEA 1253 provides that INDOT shall adopt the Indiana Manual on Uniform Traffic Control Devices for Streets and Highways by order of the Commissioner of the Department of Transportation with a letter of concurrence from the Federal Highway Administration rather than by adopting rules. (3rd Rdg., RC #227, 46-0)

**HEA 1318 SPINAL CORD AND BRAIN INJURY FUND**

**Author(s): MAYS, AUSTIN, CRAWFORD, WOLKINS**

**Sponsor(s): BECKER, MILLER, SIMPSON**

**Citations Affected: IC 9-29-5-2; IC 16-41; IC 33-37**

HEA 1318 eliminates the \$10 registration fee on motorcycles that was designated for deposit in the Spinal Cord and Brain Injury Fund. The act specifies that the registration fee for motorcycles is \$17.30. Under the Act, a fee of \$0.30 for passenger car, motorcycle, and truck (up to 10,000 pounds) registrations will be collected after December 31, 2008, for the fund.

The act also increases the law enforcement continuing education program fee from \$3 to \$4 collected by clerks for criminal, infraction, and ordinance violation actions. (3<sup>rd</sup> Rdg., RC #285, 47-0)

**HEA 1341 PORTS OF INDIANA ("POI")**

**Author(s): STEMLER, BUCK, VANHAAFTEN**

**Sponsor(s): CHARBONNEAU, LEWIS, DIEG, TALLIAN**

**Citations Affected: IC 4-4-11-5; IC 5-14; IC 6-1.1-40; IC 6-3-2-13;  
IC 8-10; IC 8-15.7-8-5**

HEA 1341 changes the name of the Indiana Port Commission to the Ports of Indiana ("POI"). The act provides that the POI is governed by a commission and authorizes the commission to perform certain administrative functions. Interviews and negotiations between the POI and industrial or commercial prospects may be held in executive session. Certain records concerning negotiations between the POI and industrial,

research, or commercial prospects may be excepted from disclosure at the discretion of the POI. The POI is required to make the terms of its final offer of public financial resources available for inspection and copying after negotiations with a prospect have terminated. The act removes a provision stating that the current port commission is not immune from liability and renames the executive director or manager of the POI as its chief executive. The act also prohibits the POI from limiting or halting public fishing within certain areas if required to maintain port security. (3<sup>rd</sup> Rdg., RC #286, 41-6)

## **UTILITIES**

### **SEA 223 GASIFICATION TECHNOLOGY**

**Author(s): HERSHMAN, MISHLER, KRUSE,  
TALLIAN, WEATHERWAX**

**Sponsor(s): STILLWELL, CROOKS, LUTZ**

**Citations Affected: IC 6-3.1-29-19; IC 88-1-2-42.1**

SEA 223 provides that a taxpayer awarded a coal gasification technology investment tax credit may agree to use less than 100% Indiana coal in the qualifying coal gasification project and qualify for the credit if the taxpayer wishes to assign the tax credit, and certifies to the Indiana Economic Development Corporation that partial use of other coal is necessary to result in lower rates for Indiana retail utility customers. The act changes the definition of "substitute natural gas" to include gas produced by a facility outside Indiana, and converted from coal from a location other than the Illinois basin. The definition of a "customer choice program" is changed to include customers located in the service area of an electric utility. The act further provides that when substitute natural gas (SNG) purchase obligations are proportionally assigned due to a customer choice program, the assignee must meet the assignment requirements in the previously approved contract for purchase of the SNG. (3<sup>rd</sup> Rdg., RC# 78, 47-0)

### **SEA 226 MUNICIPAL UTILITIES, UTILITY SERVICE – LANDLORDS**

**Author(s): HERSHMAN, KRUSE, MISHLER**

**Sponsor(s): CROOKS, BELL**

**Citations Affected: IC 8-1.5-2**

SEA 226 provides that a municipality that seeks to sell or dispose of nonsurplus municipally owned utility property must adopt an ordinance appointing three Indiana residents to serve as appraisers, as follows: (1) one disinterested person who is a licensed engineer; (2) one disinterested person who is a licensed appraiser; and (3) one disinterested person who is either a licensed engineer or a licensed appraiser. (Current law provides for the appointment of one disinterested freeholder who is a resident of the municipality and two disinterested licensed appraisers). The act eliminates the requirement that one of the licensed appraisers must reside not more than 50 miles from the property.



The act provides that if the municipality decides to proceed with the sale or disposition after the return of the appraisal, the municipality shall, not later than 45 days after the return of the appraisal, hold a public hearing to do the following: (1) review and explain the appraisal; (2) receive public comment on the proposed sale or disposition; and (3) adopt an ordinance for the sale or disposition. (Current law: (1) requires the municipality to publish notice of a hearing on the ordinance not later than 15 days after the return of the appraisal; and (2) prohibits the municipality from holding the hearing until 30 days after the notice is given.)

The act provides that the municipality is not required to adopt an ordinance if, after the hearing, the municipality determines it is not in the interest of the municipality to proceed with the sale or disposition. It allows a municipality to proceed to sell or dispose of the property if: (1) the municipality adopts an ordinance providing for the sale or disposition; and (2) a petition opposing the sale or disposition is not filed within 30 days after the notice of hearing. (Current law provides that a municipality shall proceed to sell or dispose of the property if a petition is not filed within the 30 day period.)

The act provides that a municipal utility may not issue bonds, notes, or other obligations without the approval of the Utility Regulatory Commission (IURC) if the bonds, notes, or other obligations are payable more than 12 months after their execution. (Current law requires the IURC to approve any bond issue of a municipal utility.)

The act specifies that a landlord that distributes water or sewage disposal service from a public or municipally owned utility to one or more dwelling units is not a public utility solely by reason of engaging in such activity if: (1) the landlord bills tenants separately from rent for the services distributed; (2) the total charge for the services is not more than what the landlord paid the utility for the same services, less the landlord's own use; and (3) the landlord provides the tenant with a written disclosure that meets specified requirements. It provides that a complaint may be filed with the IURC alleging that a landlord is acting as a public utility. Finally, the act requires the IURC to: (1) consider the complaint; and (2) if the IURC considers it to be necessary, enter an order requiring a billing adjustment. (Concurrence, RC# 332, 44-0)

#### **HEA 1159 211 SERVICES**

**Author(s): WELCH, BORROR, KERSEY, LUTZ**

**Sponsor(s): MERRITT, BRODEN**

**Citations Affected: IC 6-2.5-5-41; IC 6-3.1-32**

HEA 1159 pertains to 211 services and establishes a study committee for the purposes of examining several issues concerning human service information and referral services in Indiana. The study committee may consult with the Indiana Utility Regulatory Commission. *(For more information on this Act as it relates to human service information, please refer to the section on Children and Families.)* (3<sup>rd</sup> Rdg., RC #216, 46-0)

**HEA 1204 PUBLIC SAFETY****Author(s): CROOKS, SOLIDAY****Sponsor(s): KRUSE, MEEKS, STEELE, TALLIAN****Citations Affected: IC 10-13-7**

HEA 1204 establishes the Emergency Alert System Advisory Committee to develop, update and monitor the effectiveness of the state emergency alert system plan; make recommendations concerning the acquisition of appropriate technology and equipment to make the emergency notification system effective on a timely basis in all parts of Indiana, and through the State Police Department, purchase appropriate technology and equipment to equip local primary relaying stations with monitoring equipment.

The act provides that the wireline enhanced emergency telephone system fee applies to interconnected voice over Internet protocol (VoIP) service. It requires the State Board of Accounts to audit, not later than November 1, 2008, the expenditures of wireline and wireless enhanced 911 fees made by local units and public safety answering points (PSAPs) during the 2005, 2006, and 2007 calendar years. Beginning with the 2008 calendar year, the act requires the State Board of Accounts to annually audit the expenditures of wireline and wireless enhanced 911 fees made during the immediately preceding calendar year by local units and PSAPs. It provides that after December 31, 2014, a county may not contain more than two PSAPs, and provides that a county may have more than two PSAPs if any additional PSAPs are operated by a state educational institution or by an airport authority established for a county having a consolidated city.

The act provides that if, on March 15, 2008, a county does not contain more than one PSAP, an additional PSAP may not be established or operated in the county on or after that date unless the additional PSAP is established and operated by: (1) a state educational institution; (2) an airport authority established for a county having a consolidated city; or (3) the municipality having the largest population in the county or an agency of that municipality.

The act further requires each PSAP operator in a county containing more than the authorized number of PSAPs to enter, not later than January 1, 2015, into an interlocal agreement with every other PSAP operator in the county to ensure that the county does not contain more than the authorized number of PSAPs after December 31, 2014.

The act provides that a unit may not adopt an ordinance to increase a wireline enhanced emergency telephone system fee during the period beginning March 15, 2008, and ending at such time that the applicable county has complied with the requirement limiting the number of PSAPs in each county.

In conclusion, the act requires the Regulatory Flexibility Committee to study the appropriate mechanisms for funding both wireline and wireless enhanced emergency telephone systems in Indiana. It requires the Wireless Enhanced 911 Advisory Board to submit the three most recent audits of the wireless emergency telephone system fund to

the committee not later than September 1, 2008. Finally, it requires the committee to submit a report on any recommendations to the Legislative Council not later than December 1, 2008. (CCR #1, RC #359, 47-0)

## **ACTION ON '07 VETOES**

### **HEA 1388-'07            VETO OVERRIDDEN**

This act pertains to film industry production incentives. *(For more information, please refer to the section on Economic Development.)*

### **HEA 1429 -'07            VETO OVERRIDDEN**

**HEA 1429** increases the amount of attorney's fees required to be paid by the Office of Medicaid Policy and Planning in Medicaid lien collection cases involving the recovery from an insurer or a person who injured a Medicaid recipient. *(For more information, please refer to the section on Health.)*

### **SEA 490 -'07            VETO SUSTAINED**

SEA 490 would have changed the Board of Registration for Architects and Landscape Architects to the Board of Registration for Architects, Landscape Architects and Interior Designers and added an interior designer to the board. *(For more information, please refer to the section on Consumer Protection.)*

**2008**  
Second Regular Session 115th General Assembly

**ENROLLED ACT NUMBER TO PUBLIC LAW NUMBER TABLE**

*prepared by*  
**OFFICE OF CODE REVISION**  
**LEGISLATIVE SERVICES AGENCY**  
200 West Washington Street, Suite 301

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